



**RMC SWITCHGEARS LIMITED**  
 (Formerly known as RMC Switch Gears Limited)  
 Corporate Identity Number: - U27310RJ1994PLC008698

Our Company was originally incorporated on August 23, 1994 as “RFH METAL CASTINGS PRIVATE LIMITED” vide Registration no. 008698 (CIN U27310RJ1994PTC008698) under the provisions of the Companies Act, 1956 with the Registrar of Companies, Rajasthan, Jaipur. Subsequently 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 December 12, 2008 and the name of our Company was changed to “RFH METAL CASTINGS LIMITED” vide a fresh Certificate of Incorporation dated December 29, 2008 having (CIN U27310RJ1994PLC008698) issued by the Registrar of Companies, Rajasthan, Jaipur. Later vide Shareholders Resolution passed at the Extra Ordinary General Meeting of the Company held on March 25, 2009 and a fresh Certificate of Incorporation dated March 30, 2009 issued by the Registrar of Companies, Rajasthan, Jaipur the name of our Company was changed to “RMC SWITCH GEARS LIMITED”. Further, Our Company vide Shareholders Resolution passed at the Extra Ordinary General Meeting held on July 16, 2016 and a fresh Certificate of Incorporation dated July 25, 2016 issued by the Registrar of Companies, Rajasthan, Jaipur and the name of our Company was changed to “RMC SWITCHGEARS LIMITED having (CIN U27310RJ1994PLC008698)”. For further details please refer to chapter titled “History and Certain Corporate Matters” beginning on page 113 of this Prospectus.

**Registered Office:** 7 KM. from Chaksu, Khotkawda Road, Village Badodiya, Tehsil Chaksu, Tonk Road, Jaipur-303901, Rajasthan, India  
**Tel No:** +91-141-4031516, +91-141-2759678; **E-mail:** [cs@rmcindia.in](mailto:cs@rmcindia.in), **Website:** [www.rmcindia.in](http://www.rmcindia.in)  
**CONTACT PERSON:** MS. PRIYANKA GATTANI, (COMPANY SECRETARY & COMPLIANCE OFFICER)  
**PROMOTER OF OUR COMPANY:** MR. ASHOK KUMAR AGARWAL, MR. ANKIT AGRAWAL & MRS. NEHA AGRAWAL

**THE ISSUE**

**INITIAL PUBLIC OFFER OF 15,36,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH (“EQUITY SHARES”) OF RMC SWITCHGEARS LIMITED (“COMPANY” OR “ISSUER”) FOR CASH AT A PRICE OF ₹ 27 PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ 17 PER EQUITY SHARE) (“ISSUE PRICE”) AGGREGATING TO ₹ 414.72 LAKHS (“ISSUE”) ) CONSISTING OF A FRESH ISSUE OF 7,68,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH (“EQUITY SHARES”) FOR CASH AT A PRICE OF ₹ 27 PER EQUITY SHARE AGGREGATING TO ₹ 207.36 LAKHS (“ISSUE”) AND 7,68,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH (“EQUITY SHARES”) FOR CASH AT A PRICE OF ₹ 27 PER EQUITY SHARE AGGREGATING TO ₹ 207.36 LAKHS THROUGH AN OFFER FOR SALE BY MR. ANKIT AGRAWAL, MR. ASHOK KUMAR AGARWAL, MRS. PARWATI BAI AGARWAL, MRS. SANTOSH AGARWAL, M/S VITTHAL DAS AGRAWAL HUF, M/S ASHOK KUMAR AGARWAL HUF AND ARGENT LEASING & FINANCE PRIVATE LIMITED (COLLECTIVELY REFERRED AS SELLING SHAREHOLDERS INCLUDING PROMOTERS) OF WHICH 96,000 EQUITY SHARES OF FACE VALUE OF ₹10.00 EACH FOR A CASH PRICE OF ₹27 PER EQUITY SHARE, AGGREGATING TO ₹ 25.92 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER (“MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 14,40,000 EQUITY SHARES OF FACE VALUE OF ₹ 10.00 EACH AT AN ISSUE PRICE OF ₹ 27 PER EQUITY SHARE AGGREGATING TO ₹ 388.80 LAKHS (IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”). THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 30.16% AND 28.28%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO SECTION TITLED “TERMS OF THE ISSUE” BEGINNING ON PAGE 219 OF THIS PROSPECTUS.**

**THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10.00 EACH AND THE ISSUE PRICE IS ₹ 27. THE ISSUE PRICE IS 2.7 TIMES OF THE FACE VALUE.**

**THIS ISSUE IS BEING MADE IN TERMS OF CHAPTER XB OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 (THE “SEBI ICDR REGULATIONS”), AS AMENDED. THIS ISSUE IS A FIXED PRICE ISSUE AND ALLOCATION IN THE NET ISSUE TO THE PUBLIC WILL BE MADE IN TERMS OF REGULATION 43(4) OF THE SEBI (ICDR) REGULATIONS, 2009, AS AMENDED. FOR FURTHER DETAILS, PLEASE REFER TO SECTION TITLED “ISSUE PROCEDURE” BEGINNING ON PAGE 228 OF THIS PROSPECTUS.**

In terms of the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount (“ASBA”) process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. For details in this regard, specific attention is invited to “Issue Procedure” on page 228 of this Prospectus.

**ELIGIBLE INVESTORS**

For details in relation to Eligible Investors, please refer to section titled “Issue Procedure” beginning on page 228 of this Prospectus.

**RISK IN RELATION TO THE FIRST ISSUE**

This being the first public issue of the Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares of the Company is ₹10.00 per equity share and the Issue Price is 2.7 times of the face value. The Issue Price (will be determined and justified by our Company in consultation with the Lead Manager as stated under the paragraph ‘Basis for Issue Price’ on page 81 of this Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares of our Company 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 investment. Investors are advised to read the “Risk Factors” carefully before taking an investment decision in this 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 offered 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 this Draft Prospectus. **Specific attention of the investors is invited to the section titled ‘Risk Factors’ beginning on page 15 of this Prospectus.**

**ISSUER’S & SELLING SHAREHOLDERS ABSOLUTE RESPONSIBILITY**

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

**LISTING**

The Equity Shares offered through this Prospectus are proposed to be listed on the SME Platform of BSE Limited (“BSE SME”). However, our Company has received an approval letter dated November 04, 2016 from BSE for using its name in this offer document for listing of our shares on the SME Platform of BSE Limited. For the purpose of this Issue, the Designated Stock Exchange will be the BSE Limited.

**LEAD MANAGER TO THE ISSUE**

**REGISTRAR TO THE ISSUE**

<p><b>Hem Securities Ltd</b>                  HEM SECURITIES LIMITED                  14/15, Khatau Bldg, 1st Floor, 40, Bank Street, Fort, Mumbai - 400001, India  <b>Tel. No.:</b> +91- 022- 4906 0000  <b>Fax No.:</b> +91- 022- 2262 5991  <b>Website:</b> <a href="http://www.hemsecurities.com">www.hemsecurities.com</a>  <b>Email:</b> <a href="mailto:ib@hemsecurities.com">ib@hemsecurities.com</a>  <b>Investor Grievance Email:</b> <a href="mailto:redressal@hemsecurities.com">redressal@hemsecurities.com</a>  <b>Contact Person :</b> Mr. Anil Bhargava  <b>SEBI Regn. No.</b> INM000010981</p>	<p><b>LINK Intime</b>                  LINK INTIME INDIA PRIVATE LIMITED                  C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West),                  Mumbai – 400078, Maharashtra, India  <b>Tel No.:</b> +91-22-61715400; <b>Fax No.:</b> +91-22-2596 0329  <b>Email:</b> <a href="mailto:rmc.ipo@linkintime.co.in">rmc.ipo@linkintime.co.in</a>  <b>Investor Grievance Email:</b> <a href="mailto:rmc.ipo@linkintime.co.in">rmc.ipo@linkintime.co.in</a>  <b>Website:</b> <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>  <b>Contact Person:</b> Ms. Shanti Gopalkrishnan  <b>SEBI Regn. No.:</b> INR000004058</p>
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**ISSUE PROGRAMME**

**ISSUE OPENS ON: Tuesday, February 28, 2017**

**ISSUE CLOSES ON: Friday, March 03, 2017**

## TABLE OF CONTENTS

SECTION	CONTENTS	PAGE NO.
<b>I</b>	<b>GENERAL</b>	
	DEFINITIONS AND ABBREVIATIONS	1
	CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION & MARKET DATA & CURRENCY OF FINANCIAL PRESENTATION	12
	FORWARD LOOKING STATEMENTS	14
<b>II</b>	<b>RISK FACTORS</b>	15
<b>III</b>	<b>INTRODUCTION</b>	
	SUMMARY OF OUR INDUSTRY	31
	SUMMARY OF OUR BUSINESS	35
	SUMMARY OF OUR FINANCIALS	38
	THE ISSUE	42
	GENERAL INFORMATION	43
	CAPITAL STRUCTURE	51
	OBJECTS OF THE ISSUE	74
	BASIC TERMS OF ISSUE	79
	BASIS FOR ISSUE PRICE	81
	STATEMENT OF TAX BENEFITS	84
<b>IV</b>	<b>ABOUT THE ISSUER COMPANY</b>	
	INDUSTRY OVERVIEW	86
	OUR BUSINESS	92
	KEY INDUSTRY REGULATIONS AND POLICIES	105
	HISTORY AND CERTAIN CORPORATE MATTERS	113
	OUR MANAGEMENT	120
	OUR PROMOTERS & PROMOTER GROUP	135
	OUR GROUP COMPANY	141
	DIVIDEND POLICY	145
<b>V</b>	<b>FINANCIAL INFORMATION OF THE COMPANY</b>	
	AUDITOR'S REPORT ON RESTATED FINANCIAL STATEMENT	146
	STATEMENT OF FINANCIAL INDEBTEDNESS	176
	MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITIONS & RESULTS OF OPERATIONS	180
<b>VI</b>	<b>LEGAL AND OTHER INFORMATION</b>	
	OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS	194
	GOVERNMENT AND OTHER APPROVALS	199
	OTHER REGULATORY AND STATUTORY DISCLOSURES	203
<b>VII</b>	<b>ISSUE RELATED INFORMATION</b>	
	TERMS OF THE ISSUE	219
	ISSUE STRUCTURE	225
	ISSUE PROCEDURE	228
	RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES	268
<b>VIII</b>	<b>MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION</b>	270
<b>IX</b>	<b>OTHER INFORMATION</b>	
	MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION	301
	DECLARATION	303

## SECTION I – GENERAL

## DEFINITIONS AND ABBREVIATIONS

This 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, enactment or regulation shall be to such legislation, enactment or regulation as amended from time to time. In the section “*Main Provision of Articles of Association*” on page 270 of this Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

## General Terms

Term	Description
“RMC Switchgears Limited”, , “RMC”, “We” or “Our” or “us” or “our Company” or “the Issuer”	Unless the context otherwise requires, refers to “RMC Switchgears Limited” formerly known as RMC Switch Gears Limited, a Company originally incorporated under the Companies Act, 1956 vide a Certificate of Incorporation issued by the Registrar of Companies, Rajasthan, Jaipur.
“you”, “your” or “yours”	Prospective investors in this Issue.

## Company related terms

Term	Description
AOA / Articles / Articles of Association	Articles of Association of RMC Switchgears Limited as amended from time to time.
Auditors/ Statutory Auditors	The Auditors of RMC Switchgears Limited being M/s Saraswat & Company, Chartered Accountant.
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 Disclosures Requirement) Regulation, 2015
Bankers to the Company	The Federal Bank Limited
Board of Directors / the Board / our Board	The Board of Directors of our Company, including all duly constituted Committees thereof. For further details of our Directors, please refer to section titled “ <i>Our Management</i> ” beginning on page 120 of this Prospectus.
CIN	Corporate Identification Number.
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 Ms. Priyanka Gattani
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 specified in the context thereof.
Equity Shareholders/ Shareholders	Persons/ Entities holding Equity Shares of Our Company.
General Information Document (GID)	The General Information Document for investing in public issues prepared and 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.
GIR Number	General Index Registry Number.
Group Companies	The word “group companies”, wherever they occur, shall include such companies as covered under the applicable accounting standards and also other companies as considered material by the Board of the issuer in its materiality policy and as disclosed in

	“ <b>Our Group Company</b> ” promoted by the Promoters on page 141 of this Prospectus.
HUF	Hindu Undivided Family.
ISIN	International Securities Identification Number. In this case being – INE655V01019
Key Management Personnel/ KMP	Key Management Personnel of our Company in terms of the SEBI Regulations and the Companies Act, 2013. For details, see section entitled “ <b>Our Management</b> ” on page 120 of this Prospectus.
IT Act	The Income Tax Act, 1961 as amended till date
Indian GAAP	Generally Accepted Accounting Principles in India.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on July 12, 2016, in accordance with the requirements of the SEBI (ICDR) Regulations
MIA Factory	B-11 (B&C), Malviya Industrial Area, Jaipur-302017, Rajasthan, India
MOA / Memorandum / Memorandum of Association	Memorandum of Association of RMC Switchgears Limited as amended from time to time.
Non Residents	A person resident outside India, as defined under FEMA Regulations, 2000
NRIs / Non-Resident Indians	A person resident outside India, as defined under FEMA Regulation and who is 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. Narendra Sharma & Co., Chartered Accountant.
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. Ashok Kumar Agarwal, Mr. Ankit Agrawal & Mrs. Neha Agrawal. For further details, please refer to section titled “ <b>Our Promoters and Promoter Group</b> ” beginning on page 135 of this Prospectus.
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 “ <b>Our Promoter and Promoter Group</b> ” beginning on page 135 of this Prospectus.
RBI Act	The Reserve Bank of India Act, 1934 as amended from time to time.
Registered Office & Factory of our Company	7 km from Chaksu, Khotkawda Road, Village Badodiya, Tehsil Chaksu, Tonk Road, Jaipur Rajasthan - 303901 India
Restated Financial Information	The restated audited financial information of the Company, which comprises of the restated audited balance sheet, the restated audited profit and loss information and restated audited cash flow information, as at and for the period ended September 30, 2016 and years ended March 31, 2012, 2013, 2014, 2015 and 2016, together with the annexure and notes thereto.
Reserve Bank of India / RBI	Reserve Bank of India constituted under the RBI Act.
RoC/ Registrar of Companies	Registrar of Companies, Rajasthan, Jaipur
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 /ICDR Regulation/ Regulation	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by SEBI on August 26, 2009, as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Takeover Regulations or SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.
SEBI (Venture Capital) Regulations	Securities Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time.
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Listing Regulations,	The Securities and Exchange Board of India (Listing Obligation and Disclosure

2015/SEBI Regulations/Listing Regulations/SEBI (LODR)	Listing	Requirements) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
Selling Shareholders		Selling Shareholders being Mr. Ankit Agrawal, Mr. Ashok Kumar Agarwal, Mrs. Santosh Agarwal, Mrs. Parwati Bai Agarwal, M/s Vitthal Das Agrawal HUF, M/s Ashok Kumar Agarwal HUF and Argent Leasing & Finance Private Limited.
Shareholders		Shareholders of our Company
SICA		Sick Industrial Companies (Special Provisions) Act, 1985.
Stock Exchange		Unless the context requires otherwise, refers to, BSE 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.

## ISSUE RELATED TERMS

Terms	Description
Allotment/Allot/Allotted	Unless the context otherwise requires, the issue and allotment of Equity Shares, pursuant to the Issue to the successful applicants.
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application.
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges
Allottee (s)	The successful applicant to whom the Equity Shares are being / have been issued.
Applicant/ Investor	Any prospective investor who makes an application for Equity Shares in terms of this Prospectus.
Application Amount	The amount at which the Applicant makes an application for the Equity Shares of our Company in terms of Prospectus.
Application Form	The form, whether physical or electronic, used by an Applicant to make an application, which will be considered as the application for Allotment for purposes of this Prospectus.
Application Supported by Block Amount (ASBA)	An application, whether physical or electronic, used by all applicants to make an application authorizing a SCSB to block the application amount in the ASBA 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 Applicant/Investor with an SCSB which will be blocked by such SCSB to the extent of the Application Amount of the ASBA Applicant/Investor.
ASBA Application Location (s)/ Specified Cities	Cities as specified in the SEBI Circular No. CIR/CFD/DIL/1/2011 dated April 29, 2011, namely, Ahmedabad, Bangalore, Baroda (Vadodara), Chennai, Delhi, Hyderabad, Jaipur, Kolkata, Mumbai, Pune, Rajkot and Surat
Bankers to the Issue	Banks which are clearing members and registered with SEBI as Bankers to an Issue and with whom the Public Issue Account will be opened, in this case being The Federal Bank Ltd.
Banker to the Issue Agreement	Agreement dated October 27, 2016 entered into amongst the Company, Lead Manager, the Registrar and the Banker of the Issue.
Basis of Allotment	The basis on which the Equity Shares will be Allotted, described in “ <b>Issue Procedure – Basis of Allotment</b> ” on page 260 of the Prospectus.
Broker Centres	Broker centres notified by the Stock Exchanges, where the Applicants can submit the Application Forms to a Registered Broker.
BSE	BSE Limited
Business Day	Monday to Friday (except public holidays).
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.

Terms	Description
Client Id	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participants or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the LM, the Registrar to the Issue and the Stock Exchange.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, name of the Bidders' father/husband, investor status, Occupation and Bank Account details.
Depository / Depositories	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time, being NSDL and CDSL.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the ASBA Applicant and a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/">http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/</a> 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 available on the websites of the Stock Exchange i.e. <a href="http://www.bseindia.com">www.bseindia.com</a>
Designated RTA Locations	Such locations of the RTAs where Applicant can submit the Application Forms to RTAs.  The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.bseindia.com">www.bseindia.com</a>
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 Prospectus
Designated Intermediaries/Collecting Agent	An SCSB's with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Stock Broker registered with recognized Stock Exchange, a Depository 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	Hem Securities Limited
Designated Stock Exchange	BSE Limited (SME Exchange)
DP	Depository Participant
DP ID	Depository Participant's Identity.
Draft Prospectus	Draft prospectus dated September 14, 2016 issued in accordance with Section 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 Prospectus will constitute an invitation to subscribe for the Equity Shares.
Equity Shares	Equity Shares of our Company of face value ₹ 10.00 each
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
FII / Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First/ Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the of Securities 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

Terms	Description
	as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended
HSL	Hem Securities Limited.
IPO	Initial Public Offering.
Issue/Public size/Initial Public Offer/Initial Public Offering/ IPO	The Public Issue 15,36,000 Equity shares of ₹ 10/- each at issue price of ₹ 27.00/- per Equity share, including a premium of ₹ 17.00/- per equity share aggregating to ₹ 414.72 Lakhs comprising the Fresh Issue of 7,68,000 Equity Shares and the Offer for Sale 7,68,000 Equity Shares by Selling Shareholders.
Issue Closing Date	The date after which the Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers will not accept any Application for this Issue, which shall be notified in a English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being February 28, 2017
Issue Opening Date	The date on which the Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers shall start accepting Application for this Issue, which shall be the date notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being March 03, 2017
Issue Price	The Price at which the Equity Shares are being issued by our Company under this Prospectus being ₹ 27.00/- per equity share.
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants can submit their Applications.
Issue Proceeds	Proceeds to be raised by our Company through this Issue and the proceeds available to our selling shareholders, for further details please refer chapter titled " <i>Objects of the Issue</i> " page 74 of the Prospectus
LM/Lead Manager	Lead Manager to the Issue, in this case being Hem Securities Limited (HSL).
Listing Agreement/ Equity Listing Agreement	The SME Equity Listing Agreement to be signed between our Company and BSE Limited (BSE).
Market Maker	Member Brokers of BSE who are specifically registered as Market Makers with the BSE SME Platform. In our case, Hem Securities Limited is the sole Market Maker
Market Making Agreement	The Market Making Agreement dated October 03, 2016 between our Company and Market Maker.
Market Maker Reservation Portion	The reserved portion of 96,000 Equity Shares of ₹ 10 each at an Issue price of ₹ 27.00/- each aggregating to ₹ 25.92Lakhs to be subscribed by Market Maker in this issue.
MOU/ Issue Agreement	The Memorandum of Understanding dated September 12, 2016 between our Company and Lead Manager
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 14,40,000 equity Shares of ₹10 each at a price of ₹ 27.00 per Equity Share (the " <i>Issue Price</i> "), including a share premium of ₹ 17.00 per equity share aggregating to ₹ 388.80 Lakhs.
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 " <i>Objects of the Issue</i> " beginning on page 74 of this Prospectus.
Non-Institutional Investors / Applicant	Investors other than Retail Individual Investors, NRIs and QIBs who apply for the Equity Shares of a value of more than ₹ 2,00,000/-
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/ OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of 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

Terms	Description
	granted under the Regulations. OCBs are not allowed to invest in this Issue.
Prospectus	The prospectus, filed with the RoC in accordance with the provisions of Section 32 of the Companies Act, 2013.
Public Issue Account	Account opened with the Bankers to the Issue to receive monies from the SCSBs from the bank account of the ASBA Applicant, on the Designated Date.
Qualified Foreign Investor/ QFIs	Non-resident investors other than SEBI registered FIIs or sub-accountants or SEBI registered FCVIs who meet know your client requirements prescribed by SEBI.
Qualified Institutional Buyers/ QIBs	A Mutual Fund, Venture Capital Fund and Foreign Venture Capital Investor registered with the SEBI, a foreign institutional investor and sub-account (other than a sub-account which is a foreign corporate or foreign individual), registered with the 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.
Registrar/ Registrar to the Issue/ RTA/ RTI	Registrar to the Issue being Link Intime India Pvt. Ltd.
Registrar Agreement	The agreement dated September 09, 2016, entered into between our Company, Selling Shareholders and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Regulations	SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009 as amended from time to time.
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.
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 <a href="http://www.bseindia.com/members/MembershipDirectory.aspx">http://www.bseindia.com/members/MembershipDirectory.aspx</a>
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
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s)
SEBI SAST / SEBI (SAST) Regulations	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended
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 <a href="http://www.sebi.gov.in/pmd/scsb.pdf">http://www.sebi.gov.in/pmd/scsb.pdf</a>
SME Exchange	SME Platform of the BSE i.e. BSE SME
SME Platform	The SME Platform of BSE i.e. BSE SME for listing equity shares offered under Chapter X-B of the SEBI ICDR Regulation which was approved by SEBI as an SME Exchange on September 27, 2011
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(s) of the Syndicate to the Applicant as proof of registration of the Application.
Underwriters	The LM who has underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations and the Securities and Exchange Board of India (Underwriters) Regulations,



Terms	Description
	1993, as amended from time to time.
Underwriting Agreement	The Agreement dated October 03, 2016 entered between the Underwriters, Selling Shareholders 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 Bid/Offer 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

## COMPANY AND INDUSTRY RELATED TERMS

## Technical and Industry Related Terms

Term	Full Form
AB	Air Break
ABC	Aerial Bunched Cable
AMP	Ampere
ATH	Alumina Trihydrate
BG	Bank Guarantee
CFL	Compact Fluorescent Lamp
CRCA	Cold rolled close annealed
DDUGJY	Deendayal Upadhyaya Gram Jyoti Yojana
DG	Diesel Generator
DMC	Density Moulding Compound
EBITDA	Earnings before Interest, Tax and Depreciation Amortization
EC	Energy Conservation
EHV	Extra High Voltage
FRP	Fibre reinforced Plastic
HP	Horse Power
HRC	High Rupturing Capacity
HT	High Tension
HV	High Voltage
IPDS	Integrated Power Development Scheme
KG	Kilo Gram
KM	Kilo Meter
Ktpa	Kilo Tonnes per annum
KV	Kilo Volt
KVA	Kilo Vatt Ampere
LC	Letter of Credit
LT	Low Tension
LTCT	Load Tap changing transformer
LV	Low Voltage
MCB	Main Circuit Breaker
MCCB	Moulded Case Circuit Breaker
MIA	Malviya Industrial Area
MIG	Metal Inert Gas
MS	Mild Steel
MT	Metric Tonne
MTPA	Metric Ton Per Annum
Mtrs	Meters
MV	Medium Voltage

Ph	Phase
R-APDRP	Restructured Accelerated Power Development and Reforms Programme
RGVY	Rajiv Gandhi Grameen Vidyutikaran Yojana
SEB	State Electricity Boards
SMC	Sheet Moulding Compound
SME	Small and Medium Enterprise
Sq Mtrs	Square Meters
SSI	Small Scale Industries
UDAY	Ujwal Discom Assurance Yojana

## ABBREVIATIONS

Abbreviation	Full Form
AS / Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
A/c	Account
AGM	Annual General Meeting
ASBA	Applications Supported by Blocked Amount
Amt	Amount
AIF	Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
AY	Assessment Year
AOA	Articles of Association
Approx	Approximately
B. A	Bachelor of Arts
BBA	Bachelor of Business Administration
B. Com	Bachelor of Commerce
B. E	Bachelor of Engineering
B. Sc	Bachelor of Science
B. Tech	Bachelor of Technology
Bn	Billion
BG/LC	Bank Guarantee / Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction
BSE	BSE Limited (formerly known as the Bombay Stock Exchange Limited)
CDSL	Central Depository Services (India) Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note
CA	Chartered Accountant
CB	Controlling Branch
CC	Cash Credit
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CS	Company Secretary
CS & CO	Company Secretary & Compliance Officer
CFO	Chief Financial Officer
CST	Central Sales Tax
CWA	Cost and Works Accountant
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India
DP	Depository Participant
DP ID	Depository Participant's Identification Number
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortisation
ECS	Electronic Clearing System
ESIC	Employee's State Insurance Corporation

Abbreviation	Full Form
EPS	Earnings Per Share
EGM /EOGM	Extraordinary General Meeting
ESOP	Employee Stock Option Plan
EXIM/ EXIM Policy	Export – Import Policy
FCNR Account	Foreign Currency Non Resident Account
FIPB	Foreign Investment Promotion Board
FY / Fiscal/Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
FEMA	Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under.
FCNR Account	Foreign Currency Non Resident Account
FBT	Fringe Benefit Tax
FDI	Foreign Direct Investment
FIs	Financial Institutions
FIIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FPIs	“Foreign Portfolio Investor” means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities And Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act, 1992.
FTA	Foreign Trade Agreement.
FVCI	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
FV	Face Value
GoI/Government	Government of India
GDP	Gross Domestic Product
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
ICWAI	The Institute of Cost Accountants of India
IMF	International Monetary Fund
INR / ₹/ Rupees/Rs.	Indian Rupees, the legal currency of the Republic of India
IIP	Index of Industrial Production
IPO	Initial Public Offer
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
HNI	High Net Worth Individual
I.T. Act	Income Tax Act, 1961, as amended from time to time
IT Authorities	Income Tax Authorities
IT Rules	Income Tax Rules, 1962, as amended, except as stated otherwise
IRDA	Insurance Regulatory and Development Authority
KMP	Key Managerial Personnel
LM	Lead Manager
Ltd.	Limited
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
M. A	Master of Arts
M. B. A	Master of Business Administration
M. Com	Master of Commerce
Mn	Million
M. E	Master of Engineering
M. Tech	Masters of Technology
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992

Abbreviation	Full Form
MAPIN	Market Participants and Investors Database
NA	Not Applicable
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
NEFT	National Electronic Funds Transfer
NECS	National Electronic Clearing System
NAV	Net Asset Value
NPV	Net Present Value
NRIs	Non Resident Indians
NRE Account	Non Resident External Account
NRO Account	Non Resident Ordinary Account
NSE	National Stock Exchange of India Limited
NOC	No Objection Certificate
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
P.A.	Per Annum
PF	Provident Fund
PG	Post Graduate
PAC	Persons Acting in Concert
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PLI	Postal Life Insurance
POA	Power of Attorney
PSU	Public Sector Undertaking(s)
Pvt.	Private
RBI	The Reserve Bank of India
ROE	Return on Equity
R&D	Research & Development
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SME	Small and Medium Enterprises
STT	Securities Transaction Tax
Sec.	Section
SPV	Special Purpose Vehicle
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
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 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.
w.e.f.	With effect from

The words and expressions used but not defined in this 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 following:-

- (i) In the section titled “***Main Provisions of the Articles of Association***” beginning on page 270 of the Prospectus, defined terms shall have the meaning given to such terms in that section.
- (ii) In the section titled “***Financial Information of the Company***” beginning on page 146 of the Prospectus, defined terms shall have the meaning given to such terms in that section;
- (iii) In the Chapter titled “***Statement of Tax Benefits***” beginning on page 84 of the Prospectus, defined terms shall have the same meaning given to such terms in that chapter.

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

### Certain Conventions

All references in the Prospectus to “India” are to the Republic of India. All references in the Prospectus to the “U.S.”, “USA” or “United States” are to the United States of America.

In this Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, “RMC Switchgears Limited”, “RMC” formerly known as RMC Switch Gears Limited, and, unless the context otherwise indicates or implies, refers to RMC Switchgears Limited. In this 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 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 Prospectus, all figures have been expressed in Rupees and Lacs. Unless stated otherwise, the financial data in the Prospectus is derived from our financial statements prepared and restated for the period ended September 30, 2016 and financial year ended 2016, 2015, 2014, 2013 and 2012 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 146 of this Prospectus. Our Company does not have a subsidiary. Accordingly, financial information relating to us is presented on a Standalone 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 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 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 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 146 of this Prospectus.

For additional definitions used in this Prospectus, see the section “**Definitions and Abbreviations**” on page 1 of this Prospectus. In the section titled “**Main Provisions of Articles of Association**”, on page 270 of the 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 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 Prospectus is reliable, it has not been independently verified by us or the LM 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 81 of the Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the LM, have independently verified such information.

**Currency of Financial Presentation and Exchange Rates**

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 Prospectus all figures have been expressed in thousands, Lakhs/Lacs, Million and Crores.

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 15, 92 & 180 in the Prospectus, unless otherwise indicated, have been calculated based on our restated respectively financial statement prepared in accordance with Indian GAAP.

The Prospectus contains conversions of certain US Dollar and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI (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 Prospectus includes certain “forward-looking statements”. We have included statements in the 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. Disruption in our manufacturing facilities.
2. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
3. Inability to successfully obtain registrations in a timely manner or at all;
4. Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
5. Disruption in supply of Raw Materials
6. Changes in laws and regulations relating to the industries in which we operate;
7. Effect of lack of infrastructure facilities on our business;
8. Increase in prices of Raw Material
9. Occurrence of Environmental Problems & Uninsured Losses;
10. Our ability to successfully implement our growth strategy and expansion plans;
11. Our ability to meet our capital expenditure requirements;
12. Our ability to attract, retain and manage qualified personnel;
13. Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;
14. 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 prices;
15. Occurrence of natural disasters or calamities affecting the areas in which we have operations;
16. Conflicts of interest with affiliated companies, the promoter group and other related parties;
17. The performance of the financial markets in India and globally;
18. Any adverse outcome in the legal proceedings in which we are involved;
19. Our ability to expand our geographical area of operation;
20. Concentration of ownership among our Promoters.

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 15, 92 & 180 respectively of the 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.

Neither our Company, Selling Shareholders, our Directors, our Officers, 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 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 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 146, 92 & 180 respectively of this 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 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 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 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 15 and “**Management Discussion and Analysis of Financial Condition and Results of Operations**” on page 180 of this 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. We are involved in certain legal proceedings and may face certain liabilities as a result of the same.**

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 no. 194 of this Prospectus. A brief detail of such outstanding litigations as on the date of this Prospectus are as follows:

### **Matters involving Our Company:-**

**A. Against our Company:-**

Nature	No. of Outstanding Matters	Amount Involved (in Rs. Lacs)
Criminal Case	1	2.21
TDS Defaults	1	0.46
Civil Case	3	7.84
Appeal filed (Indirect Tax)	1	1.37
Notice received u/s 143(2) of the Income Tax Act, 1961	1	unascertainable

**B. By Our Company:-**

Nature of Cases	No of Outstanding Cases	Amount involved (In Lacs)
Criminal Case	6	43.19
Civil Case	1	9.40

We cannot provide any assurance that these matters will be decided in favour of the above mentioned entities or persons. Further, there is no assurance that legal proceedings will not be initiated against our company, its directors, promoters or group companies in future.

**2. *The Promoter Group of our Company does not include certain relatives of our promoters and Companies/entities in which these persons may have any interest.***

The Promoter Group of our Company does not include certain relatives of our Promoters which comes under the purview of promoter group under Regulation 2(1) (zb) of SEBI (ICDR) Regulations 2009 and Companies/entities in which they jointly or severally may have an interest. However, our Promoters currently do not maintain any financial relationship, arrangements, and dealings with the aforesaid persons or with their Companies in the normal course as would have been perceived by virtue of their relationship. Further, none of the aforesaid persons have any financial transactions with our Company or have any interest in the shareholding of our Company. Accordingly, the disclosures of entities of the aforesaid persons are not included under the disclosure relating to the Promoter Group and Group Company as mentioned on page 135 & 141 under chapter “*Our Promoter and Promoter Group*” and chapter entitled “*Our Group Company*” of this Prospectus.

**3. *In case of our inability to obtain, renew or maintain the statutory and regulatory licenses, permits and approvals required to operate our business it may have a material adverse effect on our business.***

We require certain statutory and regulatory permits, licenses and approvals to operate our business. Although, we have taken permission to operate for our factory located at Chaksu from Gram Panchayat but we are yet to apply for registration/NOC from Pollution control Board. Except as stated above, we believe that we have obtained all the requisite permits and licenses which are adequate to run our business. However there is no assurance that there are no other statutory/regulatory requirements which we are required to comply with.

Further, some of these approvals are granted for fixed periods of time and need renewal from time to time. We are required to renew such permits, licenses and approvals. Further, certain licenses and registrations obtained by our Company contain certain terms and conditions, which are required to be complied with by us. Any default by our Company in complying with the same, may result in interalia the cancellation of such licenses, consents, authorizations and/or registrations, which may adversely affect our operations. 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 section titled “*Government and Other Approvals*” beginning on page 199 of the Prospectus

**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 year ended on March 31, 2016, more than 80% 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 180 of Prospectus.

**5. Our revenue is largely dependent on the orders received from the customers through competitive bidding process.**

Most of our orders are obtained through competitive bidding process. Contracts are awarded to the parties after considering various parameters such as experience in the industry, technological upgradation, capacity, past performance, reputation for quality, safety record, financial strength and size of previous contracts in similar projects. However despite the above mentioned factors, price competitiveness of the bid is the most important criterion for the selection. An order is awarded to the most competitive bidders. In case our bids in response to the other’s are not competitive we may not be awarded the order/contract which may have an adverse affect on our business, financial condition, results of operations and cash flows.

**6. Our registered office and factory premises is situated on a land which is partly owned by us & partly taken on lease.**

Some portion of the registered office and factory of our Company has been taken on lease/rent. The part of our registered office and Factory land situated at 7 km. from Chaksu, Khotkawda Road, Village Badodiya, Tehsil Chaksu, Tonk Road, Jaipur - 303901 have been taken on rent from Mr. Ankit Agrawal (Promoter of our company) vide a rent agreement dated July 01, 2016. Also, the factory of our company situated at B-11 (B&C) Malviya Industrial area, Jaipur - 302017 have been taken on lease by our company from RIICO for a period of 99 years. Further, there are certain condition in the Lease deed of the property taken on lease from RIICO, any non adherence to the said conditions could render the lessor of the property not to renew the lease deed. In case the owner of the property doesn’t renew the said rent agreement or the lease deed or renew the same on the term which are detrimental to the company we may suffer a disruption in our business and operation and adversely affect our revenue.

For further details of the property refer chapter titled “*Our Business*” beginning on page 92 of this Prospectus.

**7. Our Contingent Liability and Commitments could affect our financial position.**

As on September 30<sup>th</sup>, 2016 we had Contingent Liability of Rs.1613.44 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 Rs. Lakhs)
<b>Contingent Liabilities:</b>	
Bank Guarantee issued to third parties by banks	1387.78
Letter of Credit issued to suppliers by banks	137.07
Contingent Liabilities against the Company	10.05
Appeal Pending	1.77
<b>TOTAL</b>	<b>1536.68</b>

For further details on the same please refer “*Annexure U*” under section “*Financial Information of the Company*” beginning on page no. 175 of Prospectus.


**8. Our company has not complied with some statutory provisions of the Companies Act. Such non-compliance may attract penalties against our company.**

Our Company may have not complied with certain statutory provisions under the Companies Act 1956 /2013, for instance our Company in the past has accepted certain amounts which are classified as deposits under the purview of Section 58A/Section 73 of the Companies Act, 1956/2013 respectively. However all the unsecured loan falling outside the exemption from deposits provided under the Companies (Acceptance of Deposit) Rules, 1975 have been repaid and as on date, no unsecured loans are outstanding other than from its Directors, Bodies corporate and Financial Institution. Further, our Company has in the past provided corporate guarantee & accepted loans from Companies in which our directors were interested. However, as on date no such corporate guarantee or loans are outstanding.

Additionally our Company may have not properly complied with some Accounting Standard in the past for instance, Accounting Standards 6, 15, 20 and 22. However, now the Company has made necessary provision for gratuity and has also made necessary

compliance in accordance with the Accounting Standards in the re-stated financial statements of the Company. For further details on the same please refer section “*Financial Information of the Company*” beginning on page no. 146 of this Prospectus.

**9. *Our Company had made application for registration of trademarks under Trade Marks Act and the status of the same is objected as on date of the Prospectus.***

Currently we are using trademarks i.e. , KORIAN and LAMINA which is applied under class 9, Class 19 and Class 19 respectively under Trade Marks Act the status of the same are objected. Any failure to get the same registered in our name may affect our business prospects. Pending completion of registration proceedings, any third-party claim on any of our Trademark may lead to litigation and our business operations could be affected. Even if our trademarks are registered, we may not be able to detect any unauthorized use or infringement or take appropriate and timely steps to enforce or protect our intellectual property, nor can we provide any assurance that any unauthorized use or infringement will not cause damage to our business prospects. For further details of our pending approvals, please see section Intellectual Property under chapter “*Government and Other Approvals*” beginning on page 199 of this Prospectus.

**10. *We have incurred substantial indebtedness which exposes us to various risks which may have an adverse effect on our business and results of operations***

Our ability to borrow and the terms of our borrowings will depend on our financial condition, the stability of our cash flows, general market conditions, economic and political conditions in the markets where we operate and our capacity to service debt. As on September 30, 2016, our total outstanding indebtedness was ₹ 2719.36 Lakhs.

Our significant indebtedness results in substantial amount of debt service obligations which could lead to:

- increasing our vulnerability to general adverse economic, industry and competitive conditions;
- limiting our flexibility in planning for, or reacting to, changes in our business and the industry;
- affecting our credit rating;
- limiting our ability to borrow more money both now and in the future; and
- increasing our interest expenditure and adversely affecting our profitability.

The above Loan amount includes an unsecured loan from our Promoters/Directors and Promoter group the outstanding amount of which as on September 30, 2016 is ₹ 115.54 Lacs. Our management believe that the above loans have been taken due to the situpulation imposed by the bank and our company have not been furnished any declaration in writing with regards to the source of funds from them. We may be subject to any action being taken by any concerned authority for the same. Also, there are no MoU or formal agreement with the Promoter/Directors or promoter group in respect of their lending to the Company. If the loans are recalled on a short notice, we may be required to arrange for funds to fulfil the necessary requirements. The occurrence of these events may have an adverse effect on our cash flow and financial conditions of the company. For further details regarding our indebtedness, see “*Statement of Financial Indebtedness*” on page 176 of this Prospectus.

**11. *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. Ashok Kumar Agarwal, Mr. Dinesh Kumar Modi, Mr. Anil Haritwal, Mr. Devi Shankar Goyal, Mr. Suresh Kumar Jain and Mrs. Radhika Agarwal are not traceable. In accordance with the disclosure requirements brief biographies of the Promoter, Director and Key Managerial Personal’s are disclosed in the section entitles “*Our Promoters and Promoter Group*” and “*Our Management*” on page 135 & 120 of this Prospectus. However, we have relied on affidavits provided by such Promoter, Directors and Key Managerial Personal’s.

**12. *Our revenue is dependent upon business from state electricity boards and other power companies hence we are indirectly exposed to the risks associated with growth of power sector in India and the growth of such companies.***

Our revenue is highly dependent upon business from state electricity boards and electricity companies. The frequency and the value of the tenders invited by these electricity companies and state electricity boards are wholly dependent on the growth of such companies, economic development in the country, infrastructural development, industrial development and government policies and programmes. Any downfall or disruption in these activities will have an adverse effect on the demand for our product, having a material adverse affect on our business, financial condition, results of operations and cash flows.

**13. Our Company had entered into various transactions with our Promoters, Promoter Group, Directors and their Relatives and Group Companies.**

Our Company had entered into various transactions with our Promoters, Promoter Group, Group Companies, Directors and their Relatives. 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 **Annexure R on Related Party Transactions** of the Auditor's Report under Section titled "**Financial Information of the Company**" beginning on page 146 of the Prospectus.

**14. 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. Certain portion of our manufacturing process is done on Job work basis in our Factory premises. But, we cannot guaranty 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.

**15. 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 executing the orders in relation to our manufactured products, or executing it on a timely basis. Moreover, factors beyond our control or the control of our customers 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. 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 failure to adhere to the conditions which may be beyond our control may subject us to liquidated damages which could have an effect on the result of operation and cash flow.

**16. Our net cash flows from operating, 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 operating, 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 Rs.)					
	30.09.2016	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Net cash flow from Operating activities	1,73,61,251	2,41,97,352	5,80,87,870	2,55,24,938	11,04,33,177	(2,19,49,084)
Net cash flow from Investing activities	(42,66,557)	(1,21,96,068)	(2,05,30,724)	28,80,255	(1,08,44,879)	(4,34,66,403)
Net cash flow from Financing activities	(1,30,27,766)	(1,20,90,075)	(5,08,62,206)	(3,03,10,191)	(6,78,00,880)	5,78,70,143

For details, please see the chapter titled "**Financial Information of Our Company**" on page 146 of this prospectus. Any negative cash flows in the future could adversely affect our results of operations and consequently our revenues, profitability and growth plans.

**17. Our Promoter group Company i.e. Rajasthan Fitting House Private Limited and Euroflux Lite (India) Private Limited has inactive business and have voluntarily applied to get the company struck off.**

Our Promoter Group Company i.e. Rajasthan Fitting House Private Limited and Euroflux Lite (India) Private Limited with which our Promoters were associated as Director and/or Promoter has closed operations due to inactive business and have applied voluntarily to get the company name struck off from the Registrar of Companies by an application to concerned

Registrar of Companies u/s 560 of the Companies Act. The abovementioned companies Rajasthan Fitting House Private Limited & Euroflux Lite (India) Private Limited have been dissolved vide order dated July 22, 2016 & September 16, 2016 respectively. Although these companies have been struck off from the registrar of companies but there can be no assurance that they may not be subject to any penalties or action by the competent authorities for any past non-compliance.

**18. Loans availed by our Company have been secured on personal guarantees of our Promoter and Promoter Group members. Our business, financial condition, results of operations, cash flows and prospects may be adversely affected in case of invocation of any personal guarantees or securities of the collateral provided by our Promoter and Promoter Group members.**

Our Promoter and Promoter Group Members has provided personal guarantees and provided their personal property as security to secure a significant portion of our existing borrowings taken from Federal Bank, SIDBI and L&T Finance, and may continue to provide such guarantees and other security post listing. In case of a default under our loan agreements, any of the personal guarantees provided by our Promoter and Promoter Group Members may be invoked and/ or the security may also be enforced, which could negatively impact the reputation and network of the Promoters. Also, we may face certain impediments in taking decisions in relation to our Company, which in turn would result in a material adverse effect on our financial condition, business, results of operations and prospects and would negatively impact our reputation. In addition, our Promoter and Promoter Group Members may be required to liquidate his shareholding in our Company to settle the claims of the lenders, thereby diluting his shareholding in our Company. We may also not be successful in procuring alternate guarantees/ alternate security satisfactory to the lenders, as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows. For further details regarding loans availed by our Company, please refer “*Statement of Financial Indebtedness*” on page no. 176 of this Prospectus.

**19. Our Company has during the preceding one year from the date of the Prospectus have allotted Equity Shares at a price which may be lower than the Issue Price.**

In the last 12 months, we have made allotments of Equity Shares to the promoters and their relatives details of which are as follows:-

- Bonus issue in the ratio of 3:1 dated June 08, 2016 issued 32,43,150 Equity shares face value ₹10/- per Equity Share for consideration other than cash.

The Equity Shares allotted to investors pursuant to this Issue may be priced significantly higher due to various reasons including better performance by the Company, better economic conditions and passage of time. For Further details of equity shares issued, please refer to the chapter titled “*Capital Structure*” and “*Basis for Issue Price*” beginning on page 51 and 81 of this Prospectus.

**20. We are heavily dependent on our Promoters 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 Key managerial personnel, along with support of our Promoters. We also depend significantly on our Key Managerial Persons for executing our day to day activities. The loss of any of our Promoters 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 Promoters 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 120 of this Prospectus.

**21. Our Group Company 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 companies.**

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

Name of the Group Company	Profit/ (Loss) for the year ended (Amount in Lacs)		
	31 <sup>st</sup> March 2016	31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014
Acme Metawires Private Limited	(23.42)	13.12	3.32

Any operating losses could adversely affect the overall operations of the group and financial conditions. For more information, regarding the Company, please refer chapter titled “*Our Group Company*” beginning on page 141 of this Prospectus.

**22. *There are certain discrepancies noticed in some of our corporate records relating to forms filed with the Registrar of Companies.***

Our Company has made some clerical mistakes in the form filed with Registrar of Companies such as transfer list was not attached with an Annual Return. In case of any cognizance being taken we may be subjected to penalty in respect of them. Also there are some cases where forms have not been filed or have been filed belatedly like charge form, managerial remuneration with Registrar of Companies for which requisite delayed fees was paid by the Company. Although no show cause notice have been issued against the Company till date in respect of above, but in case of any such event we may be subjected to penal actions from the concerned authorities for the same.

**23. *Our business operations may be disrupted by an interruption in power supply which may impact our business operations.***

Our operations involve a significant amount of power supply as our manufacturing process requires continuous supply of power. We currently depend on State electricity and DG set installed in our premises for power supply. An interruption in power supply may occur due to any reason. An interruption in the power supply from the state electricity board, Lack of sufficient power or an increase in the cost of such power may affect our business and operations.

**24. *Excessive dependence on Federal Bank for obtaining financial facilities.***

Most of our fund based and non fund base financial assistance has been sanctioned by Federal Bank. We have been sanctioned the financial assistance on the security of assets and personal guarantee of our Promoters and our Promoter Group. Any default under such arrangement or non renewal or renewal of the sanction on adverse term with such lender may result into difficulty in arranging of funds for re-payment and may also adversely affect our operations and financials.

Also the factory situated at B-11, B&C, Malviya Industrial Area, Jaipur-302017, Rajasthan, India is taken on lease vide lease agreement entered with RIICO and the property is mortgaged with Federal bank against the sanction of Financing limits. Any impairment in the right to use the above property may require us to arrange for the additional security or arranging the funds for the pre-payment which may adversely affect the financial position of our Company.

**25. *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.

For further details on the Cash Credit Limits and other banking facilities, please see “*Statement of Financial Indebtedness*” on page 176 of the Prospectus.

**26. *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 ₹ 900 lakhs from Federal 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 74 of this Prospectus.

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

Our Company is engaged in business of designing and manufacturing of enclosures of Energy Meters, LT/HT Distribution Boxes and Panels, Junction Boxes, Feeder Pillars and other Power Distribution and Circuit Protection Switchgears which attracts tax liability such as Sales tax, Excise duty, Value added Tax and Service Tax as per the applicable provisions of Law. We are also subject to the labour laws like depositing of contributions with Provident Fund. However, we have deposited the required returns under various applicable Acts but any demand or penalty raised by the concerned authority in future for any previous year and current year will affect the financial position of the Company.

***28. Our business is dependent on the availability/ supply and cost of raw materials. Any significant increase in the prices or decrease in the availability of these raw materials may adversely affect our results of operations.***

Our main raw materials are namely M S Sheets, Resin, glass fibre, ATH, Polycarbonate & hardware items. As on date of the Prospectus we have not entered into any long term tie-up/ contract or agreements for supply of these raw materials with any of our suppliers. Any decrease in the availability of these raw materials for whatever reason, including climatic change, could adversely affect our ability to procure these materials. We may also be required to search for new source of raw material which could consume both time and cost. Further, any price volatility of these raw materials and our inability to adjust to the same could adversely affect our results of operations and profitability.

***29. The business segment in which we operate is highly competitive, which may adversely affect our business operation and financial condition.***

Players in electric industry generally compete with each other on attributes such as technical competence, quality of products, distribution network, pricing and timely delivery. Some of our competitors may have longer industry experience and greater financial, technical and other resources, which may enable them to react faster in changing market scenario and remain competitive. Growing competition may result in a decline in our market share and may affect our margins which may adversely affect our business operations and our financial condition. Further, orders are awarded after tendering process based on bidding at competitive prices. In case our prices are not competitive we may not be successful in the tender process which could have an adverse effect on our business and revenues.

***30. Our business operations may be materially & adversely affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.***

Our Company has not experienced any major disruptions to our business operations arising out of disputes or other problems with our work force in the past; there can be no assurance that we will not experience such disruptions in the future. Such disruptions may adversely affect our business and results of operations and may also divert the management's attention and result in increased costs. India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment.

Although our employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain flexible labour policies, and we may face the threat of labour unrest, work stoppages and diversion of our management's attention due to union intervention, which may have a material adverse impact on our business, results of operations and financial condition. We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. Shortage of skilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations.

***31. 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.



***32. 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 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.

***33. We are susceptible to product liability claims that may not be covered by insurance and may subject us to substantial expenditure thereby adversely affecting our reputation and if the claim is successful, could require us to pay substantial amounts.***

We may be subject to claims resulting from our manufacturing defects or negligence in storage, packaging or handling etc. which may lead to deficient safety norms, or inconsistency. In case of any claim would require us to incur expenses on litigation, divert management's time, adversely affect our reputation and impair the market of products. Although, we undergo complete testing in-house and we are liable for the quality of the products manufactured by us for the duration of their shelf life, if any. Further, we may not have adequate insurance coverage for product liability and if we are to take the same, it may result in additional expense. In case of any such claim is sustained could have an adverse affect on our business, financial condition, results of operations and cash flows.

***34. Industrial accidents at our production facility may adversely affect our operation***

Operation on the machinery and the production process may result in accidents which can cause injury to the labour and employees of the company and this could also cause damage to the property and plant and machinery situated at the factory which could have an adverse affect on our operation. Though, we have taken insurance policies to safeguard from such damage but we cannot assure you that any claim lodged by us will be honored by the insurance companies or not. Further occurrence of such accidents could impact our production and consequently affect our profitability and cash flows.

***35. Any change in the technology may render our current technologies obsolete or require us to make substantial capital investment to cope with the market.***

Technology upgradation is a regular process and it is also essential for providing the desired quality to the customers. We are taking all the possible steps to keep our manufacturing facilities in line with the latest technology. However any further upgradation in the technology may render our current technology obsolete and require us to upgrade the existing technology or implement new technology. Further implementing new technology may require us to incur huge capital expenditure which could affect our cash flows and result of operations.

***36. High dependence on the smooth supply and transportation of our products. Supply and transportation are subject to various uncertainties and risks, and delays in delivery or non delivery may result in rejected or discounted deliveries.***

We depend on transportation services to deliver our products. We rely on third parties to provide such services. Disruptions of transportation services because of weather related problems, strikes, lock-outs, inadequacies in road infrastructure or other events could impair our procurement of raw materials and our ability to supply our products to our customers There is no assurance that such disruptions will not occur in the future. Any such disruptions could materially adversely affect our business, financial condition and results of operations.

***37. 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 company has obtained insurance coverage in respect of certain risks. Our insurance coverage consists of Standard fire and special perils, vehicle insurance, workmen compensation policy. We believe that the insurance coverage maintained by us is adequate and consistent with the size of our business. However, there is no assurance that the insurance policy taken by us will be adequate for us to cover the losses. If we suffer any uninsured loss or if claim made by us in respect of an insurance is not accepted or any loss occurred by us is in excess of the insurance coverage may adversely affect our operation, results and financials.

**38. We will not receive any proceeds from the Offer for sale by Selling Shareholders**

This Issue includes an Offer for Sale of 7,68,000 Equity Shares by the Selling Shareholders and a Fresh Issue of 7,68,000 shares. The entire proceeds from the Offer for Sale will be paid to the Selling Shareholders in proportion of the Equity Shares offered by the Selling Shareholders in the Offer for Sale and we will not receive any proceeds from such Offer for Sale. For further details, refer to the Section titled *Objects of the Issue* on page 74 of the Prospectus.

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

**40. We have not identified any alternate source of raising the working capital mentioned as our ‘Objects of the Issue’. The deployment of funds is entirely at our discretion and as per the details mentioned in the section titled “Objects of the Issue”. Any revision in the estimates may require us to reschedule our projected expenditure and may have a bearing on our expected revenues and earnings. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.**

Our Company has not identified any alternate source of funding for our working capital requirement and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds can adversely affect our growth plan and profitability. The delay/shortfall in receiving these proceeds could result in inadequacy of working capital or may result in borrowing funds on unfavorable terms, both of which scenarios may affect the business operation and financial performance of the company.

For further details of our working capital requirement, Please refer chapter titled “*Object for the Issue*” beginning on page 74 of this Prospectus.

**41. 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 ₹50,000.00 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 BSE Limited and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

**42. Our company has not carried out any independent appraisal of our working capital requirements. Therefore, if our estimation is not accurate or the assumptions we have taken prove to be not correct, we may be required to raise additional debt on terms that may not be totally favorable to us.**

Our working capital requirements have been assessed based on the management’s estimates and the same have not been independently appraised or evaluated by any bank or financial institution. Further, the estimates of our working capital requirement are totally based on the experience of our management and Promoters. We cannot assure that these estimates may be accurate. If these estimates prove to be wrong, we may be required to raise additional debt, on terms that may not be totally favorable to our Company, which may in turn adversely affect our profitability.

For further details please refer Chapter titled “*Objects of the Issue*” on page 74 of Prospectus

**43. Our Promoters and the Promoter Group member will jointly continue to retain majority shareholding in our Company after the Offer, Which will allow them to determine the outcome of the matters requiring the approval of shareholders.**

Our promoters along with the promoter group members will continue to hold collectively 58.16 % of the equity share capital of the company. As a result of the same they will be able to exercise significant influence over the control of the outcome of the matter that requires approval of the majority shareholders vote. Such a concentration of the ownership may also have the effect of delaying, preventing or deterring any change in the control of our company. In addition to the above, our promoters will continue to have the ability to take actions that are not in, or may conflict with our interest or the interest of some or all of our minority shareholders, and there is no assurance that such action will not have any adverse effect on our future financials or results of operations.

**44. *There are restrictions on daily movements in the price of the Equity Shares placed by the stock exchanges on which the company is listed, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.***

Once our company gets listed on the stock exchange we would be subject to circuit breakers limits imposed by the stock exchange, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. The percentage limit on circuit breakers is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges may also change it without our knowledge. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

**45. *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 51 of the Prospectus. The future issuance or sale of the equity shares of our company by our Promoter or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur.

**46. *The Issue price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Issue and the market price of our Equity Shares may decline below the issue price and you may not be able to sell your Equity Shares at or above the Issue Price.***

The Issue Price of our Equity Shares has been determined by Fixed Price method. The price of the equity shares have been based on many factor and may not be indicative of the market price of our Equity Shares after the Issue. For further information please refer the section titled "*Basis for Issue Price*" beginning on page 81 of the Prospectus. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price.

**47. *The stock price may be volatile, and you may be unable to resell your shares at or above the Issue price or at all. Also, there is no existing market for our Equity Shares and we cannot assure you that such a market will develop.***

Prior to this Public Issue, there is no public market for the Equity Shares of our company, and an active trading market may not develop or be sustained upon the completion of this Issue. Even though a Market Maker has been appointed for our stock, since there has been no public market for our Company's Equity Shares, an active trading market on the Indian Stock Exchanges may not develop or be sustained after the Issue. The Issue Price of the Equity Shares may bear no relationship to the market price of the Equity Shares after the Issue. The market price of the Equity Shares after the Issue may be subject to significant fluctuations in response to:

- Volatility in the Indian and Global economy
- Company's result and performance

- Performance of competitors.
- Significant development with respect to the fiscal, political and financial condition in the economy.

The risk of loss associated with this characteristic may be greater for investors expecting to sell Equity Shares purchased in this Issue soon after the Issue.

***48. Certain data mentioned in this Prospectus has not been independently verified.***

We have not independently verified data from industry publications contained herein and although we believe these sources to be reliable, we cannot assure that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regard to other countries. Therefore, discussions of matters relating to India and its economy are subject to the limitation that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete or unreliable.

**EXTERNAL RISK FACTORS**

***49. The Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have effected significant changes to the existing Indian company law/ listing framework, which may subject us to higher compliance requirements and increase our compliance costs.***

A majority of the provisions and rules under the Companies Act, 2013 have come into effect. The Companies Act, 2013 has brought into effect significant changes to the Indian company law framework, such as in the provisions related to issue of capital (including provisions in relation to issue of securities on a private placement basis), disclosures in offering documents, corporate governance norms, accounting policies and audit matters, related party transactions, introduction of a provision allowing the initiation of class action suits in India against companies by shareholders or depositors, a restriction on investment by an Indian company through more than two layers of subsidiary investment companies (subject to certain permitted exceptions), prohibitions on loans to directors and insider trading and restrictions on directors and key managerial personnel from engaging in futures trading. Further, the Companies Act, 2013 imposes greater monetary and other liability on us and our directors for any non-compliance.

To ensure compliance with the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we may need to allocate additional resources, which may increase our regulatory compliance costs and divert management attention. The Companies Act, 2013 introduced certain additional requirements which do not have corresponding equivalents under the Companies Act, 1956. Accordingly, we may face challenges in interpreting and complying with such provisions due to the limited jurisprudence on them. In the event our interpretation of such provisions of the Companies Act, 2013 differs from, or contradicts with, any judicial pronouncements or clarifications issued by the Government in the future, we may face regulatory actions or we may be required to undertake remedial steps. Further, we cannot currently determine the impact of provisions of the Companies Act, 2013 which are yet to be notified. Any increase in our compliance requirements or in our compliance costs may have an adverse effect on our business and results of operations.

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

Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized on the sale of shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if the securities transaction tax (STT) has been paid on the transaction. The STT will be levied on and collected by an Indian stock exchange on which equity shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India, if securities transaction tax has been paid on the transaction. Any gain realized on the sale of shares held for more than 36 months to an Indian resident, which are sold other than on a recognized stock exchange and as a result of which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realized on the sale of equity shares held for a period of 36 months or less which are sold other than on a recognized stock exchange and on which no STT has been paid, may be subject to short term capital gains tax at a relatively higher rate as compared to the transaction where STT has been paid in India.

***51. Any downgrading of India's debt rating by a domestic or international rating agency could have a negative impact on our business.***

India's sovereign debt rating could be downgraded due to various factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, which are outside our control. Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could have a material adverse effect on our business and financial performance, ability to obtain financing for capital expenditures and the price of our Equity Shares.

**52. *Regional hostilities, terrorist attacks, communal disturbances, civil unrest and other acts of violence or war involving India and other countries may result in a loss of investor confidence and adversely affect the financial markets and our business.***

Terrorist attacks, civil unrest and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares will trade and also adversely affect the worldwide financial markets. In addition, the Asian region has from time to time experienced instances of civil unrest and hostilities among neighboring countries. Hostilities and tensions may occur in the future and on a wider scale. Military activity or terrorist attacks in India, such as the attacks in Mumbai in November 2008 and in July 2011, may result in investor concern about stability in the region, which may adversely affect the price of our Equity Shares. Events of this nature in the future, as well as social and civil unrest within other countries in Asia, could influence the Indian economy and could have an adverse effect on the market for securities of Indian companies, including our Equity Shares.

**53. *Changing laws, rules and regulations and legal uncertainties in India, including adverse application of tax laws and regulations, may adversely affect our business and financial performance.***

Our business and financial performance could be adversely affected by changes in law or interpretations of existing, or the promulgation of new, laws, rules and regulations in India applicable to us and our business. For further details please refer to the chapter "**Government and Other Approvals**" on page 199 for details of the laws currently applicable to us. There can be no assurance that the central or the state governments in India may not implement new regulations and policies which will require us to obtain approvals and licenses from the central or the state governments in India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the implementation of the new regulations may have a material adverse effect on all our business, financial condition and results of operations. In addition, we may have to incur capital expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations. For instance, the Government has proposed a comprehensive national goods and services tax ("**GST**") regime that will combine taxes and levies by the Central and state Governments into a unified rate structure. Given the limited availability of information in the public domain concerning the GST, we are unable to provide any assurance as to the tax regime following implementation of the GST. The implementation of this new structure may be affected by any disagreement between certain state Governments, which could create uncertainty. Any such future amendments may affect our overall tax efficiency, and may result in significant additional taxes becoming payable.

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

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States of America or Europe, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. The global financial turmoil, an outcome of the sub-prime mortgage crisis which originated in the United States of America, led to a loss of investor confidence in worldwide financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil, evident from the sharp decline in SENSEX, BSE's benchmark index. Any prolonged financial crisis may have an adverse impact on the Indian economy and us, thereby resulting in a material and adverse effect on our business, operations, financial condition, profitability and price of our Equity Shares.

**55. *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.

**56. 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.

**57. 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.

**Prominent Notes:**

1. Public Issue Of 15,36,000 Equity Shares of Face Value of ₹ 10/- each of RMC Switchgears Limited (“RMC” or “Our Company” or “The Issuer”) for cash at a Price of ₹ 27.00 Per Equity Share (Including a Share Premium of ₹ 17.00 per Equity Share) (“Issue Price”) aggregating to ₹ 414.72 Lacs, of which 96,000 Equity Shares of Face Value of ₹10/- each at a price of ₹ 27.00 aggregating to ₹ 25.92 Lacs will be reserved for subscription by Market Maker (“Market Maker Reservation Portion”) and Net Issue to Public of 14,40,000 Equity Shares of Face Value of ₹ 10/- each at a price of ₹ 27.00 aggregating to ₹ 388.80 Lacs (hereinafter referred to as the “Net Issue”) The Issue and the Net Issue will constitute 30.16 % and 28.28 % 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. As per Regulation 43(4) of the SEBI (ICDR) Regulations, as amended, since our is a fixed price issue ‘the allocation’ is the net issue to the public category shall be made as follows:
  - a) Minimum fifty percent to retail individual investors; and
  - b) Remaining to other than retail individual investors;
  - c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

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

3. The Net worth of our Company as on September 30<sup>th</sup>, 2016, March 31<sup>st</sup>, 2016 and March 31<sup>st</sup>, 2015 was ₹ 10.95 crores, ₹ 10.09 crores and ₹ 9.31 crores respectively. For more information, see the section titled “**Financial Information of our Company**” beginning on page 146 of this Prospectus.
4. The NAV / Book Value per Equity Share, based on Standalone Restated Financials of our Company as on September 30<sup>th</sup>, 2016, March 31<sup>st</sup>, 2016 and March 31<sup>st</sup> 2015 was ₹ 25.33\*, ₹ 93.41 and ₹ 86.11 per equity share respectively. For more information, see the section titled “**Financial Information of our Company**” beginning on page 146 of this Prospectus.  
\* Adjusted for the bonus Issue

5. The average cost of acquisition of Equity Shares by our Promoters are set out below:

Sr. No.	Name of the Promoters	No. of Shares held	Average cost of Acquisition (in ₹)
1.	Ashok Kumar Agarwal	5,25,000	20.86

2.	Ankit Agrawal	6,40,880	16.52
3.	Neha Agrawal	1,10,000	35.91

6. We have entered into various related party transactions with related parties including our Promoter Group Entities and Group Companies for the period ended September 30<sup>th</sup>, 2016 & March 31<sup>st</sup>, 2016. For nature of transactions and other details as regard to related party transactions section titled “**Financial Statements - Annexure R - Statement of Related Parties Transactions, as Restated**” on page 171 of this Prospectus.
7. No Group Company have any business or other interest in our Company, except as stated in section titled “**Financial Statements - Annexure R - Statement of Related Parties Transactions, as Restated**” on page 171 and “**Our Promoter and Promoter Group**” and “**Our Group Company**” on page 135 and 141 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 “**RFH Metal Castings Private Limited**” on August 23, 1994 under the provisions of Companies Act, 1956 with Registrar of Companies, Rajasthan, Jaipur, vide Registration No. 08698 (CIN: U27310RJ1994PTC008698). Our Company was converted into a Public Limited Company pursuant to Shareholders’ Resolution passed at the Extra Ordinary General Meeting of the members of the Company held on December 12, 2008 and the name of our Company was changed from “**RFH Metal Castings Private Limited**” to “**RFH Metal Castings Limited**” vide a fresh Certificate of Incorporation dated December 29, 2008 issued by the Registrar of Companies, Rajasthan, Jaipur. Subsequently the name of our company was changed from “**RFH Metals Castings Limited**” to “**RMC Switch Gears Limited**” vide Certificate of incorporation dated December 30, 2009. Further, Our Company vide Shareholders Resolution passed at the Extra Ordinary General Meeting held on July 16, 2016 and a fresh Certificate of Incorporation dated July 25, 2016 issued by the Registrar of Companies, Rajasthan, Jaipur and the name of our Company was changed to “**RMC Switchgears Limited**”.

The Corporate Identification Number of our Company is U27310RJ1994PTC008698.

For details of change in our name and registered office, please refer to Section titled “**History and Certain Corporate Matters**” on page 113 of this 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 Prospectus.
10. Our Company, Promoters, Directors, Promoter Group, Group Companies 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 81 of this Prospectus.
12. The Lead Manager and our Company shall update this Prospectus and keep the investors / public informed of any material changes till listing of the Equity Shares offered in terms of this Prospectus and commencement of trading.
13. Investors are free to contact the Lead Manager i.e. Hem Securities Limited for any clarification, complaint or information pertaining to the Issue. The Lead Manager and our Company shall make all information available to the public and investors at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever.
14. In the event of over-subscription, allotment shall be made as set out in paragraph titled “**Basis of Allotment**” beginning on page 260 of this Prospectus and shall be made in consultation with the Designated Stock Exchange i.e. BSE. 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 and to the interest as disclosed in this Prospectus. For further details please see the chapter titled “***Our Management***” beginning at page 120, chapter titled “***Our Promoter and Promoter Group***” and “***Our Group Company***” beginning at page 135 and 141 respectively, and chapter titled “***Financial Information of the Company***” beginning at page 146 of this 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 146 of this 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, Key Managerial Personnel or Group Companies except for the proceeds received from the Offer for Sale by the Selling Shareholders.
19. 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 Other Corporate Matters***” beginning on page 113 of this Prospectus.



## SECTION III – INTRODUCTION

### SUMMARY OF OUR INDUSTRY

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

#### **Global economic Outlook**

Global growth, currently estimated at 3.1 percent in 2015, is projected at 3.4 percent in 2016 and 3.6 percent in 2017. The pickup in global activity is projected to be more gradual than in the October 2015 World Economic Outlook (WEO), especially in emerging market and developing economies.

In advanced economies, a modest and uneven recovery is expected to continue, with a gradual further narrowing of output gaps. The picture for emerging market and developing economies is diverse but in many cases challenging. The slowdown and rebalancing of the Chinese economy, lower commodity prices, and strains in some large emerging market economies will continue to weigh on growth prospects in 2016–17. The projected pickup in growth in the next two years—despite the ongoing slowdown in China—primarily reflects forecasts of a gradual improvement of growth rates in countries currently in economic distress, notably Brazil, Russia, and some countries in the Middle East, though even this projected partial recovery could be frustrated by new economic or political shocks.

Risks to the global outlook remain tilted to the downside and relate to ongoing adjustments in the global economy: a generalized slowdown in emerging market economies, China’s rebalancing, lower commodity prices, and the gradual exit from extraordinarily accommodative monetary conditions in the United States. If these key challenges are not successfully managed, global growth could be derailed.

#### ***Recent Developments***

In 2015, global economic activity remained subdued. Growth in emerging market and developing economies—while still accounting for over 70 percent of global growth—declined for the fifth consecutive year, while a modest recovery continued in advanced economies. Three key transitions continue to influence the global outlook: (1) the gradual slowdown and rebalancing of economic activity in China away from investment and manufacturing toward consumption and services, (2) lower prices for energy and other commodities, and (3) a gradual tightening in monetary policy in the United States in the context of a resilient U.S. recovery as several other major advanced economy central banks continue to ease monetary policy.

Overall growth in China is evolving broadly as envisaged, but with a faster-than-expected slowdown in imports and exports, in part reflecting weaker investment and manufacturing activity. These developments, together with market concerns about the future performance of the Chinese economy, are having spillovers to other economies through trade channels and weaker commodity prices, as well as through diminishing confidence and increasing volatility in financial markets. Manufacturing activity and trade remain weak globally, reflecting not only developments in China, but also subdued global demand and investment more broadly—notably a decline in investment in extractive industries. In addition, the dramatic decline in imports in a number of emerging market and developing economies in economic distress is also weighing heavily on global trade.

Oil prices have declined markedly since September 2015, reflecting expectations of sustained increases in production by Organization of the Petroleum Exporting Countries (OPEC) members amid continued global oil production in excess of oil consumption.<sup>1</sup> Futures markets are currently suggesting only modest increases in prices in 2016 and 2017. Prices of other commodities, especially metals, have fallen as well.

Lower oil prices strain the fiscal positions of fuel exporters and weigh on their growth prospects, while supporting household demand and lowering business energy costs in importers, especially in advanced economies, where price declines are fully passed on to end users. Though a decline in oil prices driven by higher oil supply should support global demand given a higher propensity to spend in oil importers relative to oil exporters, in current circumstances several factors have dampened the positive

impact of lower oil prices. First and foremost, financial strains in many oil exporters reduce their ability to smooth the shock, entailing a sizable reduction in their domestic demand. The oil price decline has had a notable impact on investment in oil and gas extraction, also subtracting from global aggregate demand. Finally, the pickup in consumption in oil importers has so far been somewhat weaker than evidence from past episodes of oil price declines would have suggested, possibly reflecting continued deleveraging in some of these economies. Limited pass-through of price declines to consumers may also have been a factor in several emerging market and developing economies.

Monetary easing in the euro area and Japan is proceeding broadly as previously envisaged, while in December 2015 the U.S. Federal Reserve lifted the federal funds rate from the zero lower bound. Overall, financial conditions within advanced economies remain very accommodative. Prospects of a gradual increase in policy interest rates in the United States as well as bouts of financial volatility amid concerns about emerging market growth prospects have contributed to tighter external financial conditions, declining capital flows, and further currency depreciations in many emerging market economies.

Headline inflation has broadly moved sideways in most countries, but with renewed declines in commodity prices and weakness in global manufacturing weighing on traded goods' prices it is likely to soften again. Core inflation rates remain well below inflation objectives in advanced economies. Mixed inflation developments in emerging market economies reflect the conflicting implications of weak domestic demand and lower commodity prices versus marked currency depreciations over the past year.

### **Advanced Economies**

Growth in advanced economies is projected to rise by 0.2 percentage point in 2016 to 2.1 percent, and hold steady in 2017. Overall activity remains resilient in the United States, supported by still-easy financial conditions and strengthening housing and labor markets, but with dollar strength weighing on manufacturing activity and lower oil prices curtailing investment in mining structures and equipment. In the euro area, stronger private consumption supported by lower oil prices and easy financial conditions is outweighing a weakening in net exports. Growth in Japan is also expected to firm in 2016, on the back of fiscal support, lower oil prices, accommodative financial conditions, and rising incomes.

### **Emerging Market and Developing Economies**

- Growth in emerging market and developing economies is projected to increase from 4 percent in 2015—the lowest since the 2008–09 financial crisis—to 4.3 and 4.7 percent in 2016 and 2017, respectively.
- Growth in China is expected to slow to 6.3 percent in 2016 and 6.0 percent in 2017, primarily reflecting weaker investment growth as the economy continues to rebalance. India and the rest of emerging Asia are generally projected to continue growing at a robust pace, although with some countries facing strong headwinds from China's economic rebalancing and global manufacturing weakness.
- Aggregate GDP in Latin America and the Caribbean is now projected to contract in 2016 as well, albeit at a smaller rate than in 2015, despite positive growth in most countries in the region. This reflects the recession in Brazil and other countries in economic distress.
- Higher growth is projected for the Middle East, but lower oil prices, and in some cases geopolitical tensions and domestic strife, continue to weigh on the outlook.
- Emerging Europe is projected to continue growing at a broadly steady pace, albeit with some slowing in 2016. Russia, which continues to adjust to low oil prices and Western sanctions, is expected to remain in recession in 2016. Other economies of the Commonwealth of Independent States are caught in the slipstream of Russia's recession and geopolitical tensions, and in some cases affected by domestic structural weaknesses and low oil prices; they are projected to expand only modestly in 2016 but gather speed in 2017.
- Most countries in sub-Saharan Africa will see a gradual pickup in growth, but with lower commodity prices, to rates that are lower than those seen over the past decade. This mainly reflects the continued adjustment to lower commodity prices and higher borrowing costs, which are weighing heavily on some of the region's largest economies (Angola, Nigeria, and South Africa) as well as a number of smaller commodity exporters.

*(Source: <http://www.imf.org/external/pubs/ft/weo/2016/update/01/>)*

### **Indian Economic Forecast**

Economic growth is projected to remain strong, hovering around 7.5%. Private consumption will be boosted by expected large increases in public wages and declining inflation. Investment will pick up gradually as excess capacity fades, deleveraging continues for corporations and banks, and infrastructure projects mature.

Inflation is above the long-term target and public debt is high, leaving little room for accommodative policies. However, some monetary impulse is to come as recent cuts in policy rates are passed on to consumers and investors. The renewed commitment for fiscal consolidation is welcome but the quality of public finances should be improved by increasing tax revenue and tilting the spending mix towards physical and social infrastructure. Creating more and better quality jobs is the key to inclusive growth and requires modernizing labour laws and making further progress in the ease of doing business.

Improving productivity is essential for India's GDP per capita to catch up with higher-income countries. In the agriculture sector, which still absorbs about half of total employment, this would require farm consolidation and mechanization as well as better storage and transport infrastructure. In the manufacturing sector, labour and product market regulations should be reformed to enable firms to expand to an efficient size. Providing better access to quality health and education systems is also key, both to raise productivity and to ensure its fruits are spread more equitably.

<http://www.oecd.org/economy/india-economic-forecast-summary.htm>

### India's Power Sector

As on 31.01.2014	Target for 31.03.2017
<b>Installed Power Generation Capacity: 234,602 MW</b> (Thermal – 68%, Hydro – 17%, Nuclear – 2%, RES – 13%)	Installed Power Generation Capacity: 318,414 MW
<b>AC Transmission Lines: 277,602 ckm</b> <b>HVDC: 9,432 ckm</b>	AC Transmission Lines: 348,049 ckm HVDC: 16,872 ckm
<b>AC Substation Transformation Capacity: 497,511 MVA</b> <b>HVDC: 13,500 MW</b>	AC Substation Transformation Capacity: 669,801 MVA HVDC: 22,500 MW
<b>Inter-Regional Transmission Capacity: 33,950 MW</b>	Inter-Regional Transmission Capacity: 65,550 MW

(Source - <http://ieema.org/industry-update/>)

### Power Sector in Indian Context

The Indian electrical equipment industry comprises of two broad segments – generation equipment (boilers, turbines, generators) and transmission & distribution (T&D) and allied equipment like transformers, cables, transmission lines, switch gears, capacitors, energy meters, instrument transformers, surge arrestors, stamping and lamination, insulators, insulating material, industrial electronics, indicating instruments, winding wires, etc.

### Sector Analysis

- The generation equipment sector is around 15% of the total industry, while the T&D equipment sector is the rest 85% in 2014-15. Generators, Generating Sets & Parts, Switchgear and Control gear, Transformers & Parts, Cables, Industrial Electronics, Boilers & Parts, Transmission Line Towers etc.
- The sector boasts of a diversified, matured and strong manufacturing base backed by a robust supply chain. Rugged performance design of equipment to meet tough network demand and presence of major foreign players, either directly or through technical collaborations with Indian manufacturers is a testimony of unique advantages India holds in this sector.
- With state-of-the-art technology in most sub-sectors at par with global standards, the major export markets for Indian electrical equipment are USA, Germany, UAE, Saudi Arabia, France, UK, Nigeria, China, Kenya and Brazil. The major export products are Rotating Machines (Motors, AC Generators, and Generating Sets) & Parts, Switchgear and Control gear, Transformers & Parts, Cables, Industrial Electronics, Boilers & Parts, and Transmission Line Towers etc.

(Source: <http://ieema.org/industry-intelligence/indian-engineering/>)

### Switch gear & Control gear

Switchgear refers to the combination of electrical disconnects, fuses and/or circuit breakers used to isolate electrical equipment. Switchgear is used both to de-energize equipment to allow work to be done and to clear faults downstream. Switchgear & Control gears are indispensable not only in transmission and distribution of power, but any where there is a need to access and control electricity. The Indian Switchgear Industry is manufacturing entire range of circuit breaker form bulk oil, minimum oil,

air blast, vacuum to sulphur hexafluoride as per standard specification. Switchgear & Control gear Industry in India is a fully developed and mature industry, producing and supplying a wide variety of switchgear: and control gear items needed by the industrial and power sector. This industry sector in fact manufactures the entire voltage range from 240 V to 800 KV

Secondary equipment such as relays used for various types of fault protection, also known as control gear, have made significant advances due to major development in the field of electronics. The digital relays are fast replacing the conventional relays due to technology advancement, compact size & its reliability. As per recent trend & addition to protection and control of power, monitoring and signalling are becoming integral part of switchgears. With monitoring, the fault conditions can be predicated whereas signalling helps to know the status of switch gears at various locations.

*(Source - <http://dhi.nic.in/UserView/index?mid=1342>)*

### **Indian Electrical Equipment Industry**

India's electrical equipment industry is highly diverse and manufactures a wide range of high and low technology products. The industry directly employs around half million persons and provides indirect employment to another one million people. The industry can be broadly classified into two sectors – generation equipment and T&D equipment. Other electrical equipment, including instrument transformers, surge arrestors, stamping and lamination, insulators, insulating material, industrial electronics, indicating instruments, winding wires, etc., contributed to ₹25,000 crore (US\$ 5.2 billion).

The demand for electrical equipment in India is expected to witness a significant expansion on the back of the growth of the power sector. The government is likely to add around 88.5 GW and 93 GW, respectively, under its 12th Five Year Plans. Based on investment estimates and capacity addition targets, it is expected that the domestic demand for BTG will be in the range of ₹ 125,000-150,000 crore (US\$ 25-30 billion) by 2022, while that of the T&D equipment industry will be ₹ 350,000– 375,000 crore (US\$ 70-75 billion).

There has been an overall growth in most segments of the electrical equipment industry — in boilers, turbines, generators, transformers, switchgears, and wires and cables due to the high demand from central and state power utilities. India's EE industry is expected to grow steadily and witness growth opportunities as a result of the government's focus on capacity augmentation across generation, transmission and distribution.

*(Source - [http://ieema.org/wp-content/uploads/2015/05/LFE\\_Mission\\_Plan\\_2012\\_2022.pdf](http://ieema.org/wp-content/uploads/2015/05/LFE_Mission_Plan_2012_2022.pdf))*

## SUMMARY OF OUR BUSINESS

*The following information should be read together with, the more detailed financial and other information included in this Prospectus, including the information contained in “Risk Factors”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Financial Information of the Company” on page 15, 180 & 146 respectively.*

### **OVERVIEW**

We are an ISO 9001:2008 certified company primarily engaged in the business of designing and manufacturing of Enclosures of Energy Meters, LT/HT Distribution Boxes and Panels, Junction Boxes, Feeder Pillars and other Power Distribution and Circuit Protection Switchgears made from Mild Steel, Stainless Steel in Fabrication and Deep Drawn Process along with Sheet Moulding Compound and Bulk Moulding Compound (DMC) materials. We are also undertaking work involving laying of energy transmission lines and establishing electric substation, fixing of new energy meters and shifting of existing energy meters from inside to outside etc in different regions of the country. In the fiscal year 2015-16 we have undertaken work of laying of power cable project for Churu, Sujangarh, Ladnu, Ratangarh, Sadulpur and Phalodi circles of Jodhpur Vidyut Vitran Nigam Limited - A Rajasthan State Government Company.

Our company was incorporated in year 1994 as “RFH Metal Castings Private Limited” under the provision of Companies Act, 1956 with the Registrar of Companies, Rajasthan, Jaipur. Our company was converted into a public limited company in year 2008 and further changed its name from RFH Metals Castings Limited to RMC Switch Gears Limited on March 30, 2009. Further, the name of our Company was changed from RMC Switch Gears Limited to RMC Switchgears Limited vide a fresh Certificate of Incorporation dated July 25, 2016 issued by the Registrar of Companies, Rajasthan, Jaipur.

We currently operate through our manufacturing facility located at 7 K.M. From Chaksu, Khotkawda Road, Village Badodiya, Tehsil Chaksu, Tonk Road, Jaipur-303901, Rajasthan. Our manufacturing facility located at Chaksu is well equipped with wide range of machineries and other handling equipments which ensures proper product handling and smooth running of the manufacturing process. We use the latest technologies in our production process which helps in timely manufacturing of quality products meeting required standards and also achieve cost effectiveness. Our company has in house testing laboratories to test the products as per quality standards and relevant material composition. All the incoming materials are tested and the final product has to pass through requisite quality tests so that they meet the desired quality standards. Additionally, MIA factory situated at B-11, (B&C), Malviya Industrial Area, Jaipur-302017, Rajasthan, India is used to perform job work for products manufactured at Chaksu. The said job work is performed by the Jobworkers in our factory premises.

Under the leadership of our Promoters we have strengthened our manufacturing capacity to cope with the changing market demand and upgrading the technology. With the experience of our Promoters & senior management we have been able to sustain and grow in the past. Our customer base includes many names from Indian private sector namely Larson & Toubro Limited, KEI Industries Limited, NCC Limited, IL&FS Engineering & Construction Co Ltd, BSES Ltd, IRCON Ltd, Drake & Scull Ltd, etc and state owned power utilities in the states of Rajasthan, Haryana, Uttar Pradesh, Madhya Pradesh, Punjab, Bihar, Karnataka, Gujarat, Uttaranchal and Assam.

Our Company has also undertaken work under the Central funded schemes such as RGGVY and R-APDRP schemes as well as the State funded schemes such as Feeder Separation Schemes providing trouble free electricity to both urban and rural areas.

For the period ended September 30<sup>th</sup>, 2016 & year ended on March 31, 2016, fiscal 2015, fiscal 2014 and fiscal 2013 our total revenue was Rs 2609.65 Lakhs, 6074.76 Lakhs, 4846.90 Lakhs, 4472.58 Lakhs & 4178.71 Lakhs respectively. Further, our EBT for the Six months ended on September 30<sup>th</sup>, 2016 & twelve month ended March 31, 2016, fiscal 2015, fiscal 2014 and fiscal 2013 were 77.34 Lakhs, 117.21 Lakhs, 34.93 Lakhs, 30.63 Lakhs & 8.37 Lakhs respectively. We have been able to increase our revenue at an annual growth rate of 13.28% from fiscal 2013 until fiscal 2016 and our EBT has grown at 141.03% for the same period.

### **OUR COMPETITIVE STRENGTHS**

#### **1) Large & Diverse Product Portfolio**

We are engaged in the manufacturing of the electrical accessories products. We are currently manufacturing a wide range of products like distribution Boxes, Meter boxes with different specification, circuits breaker, fuse, clamps/connectors and many other electrical item which are used by the electricity distribution companies.

**2) Established relationship with institutional customers**

Our company focuses on providing the customers with the desired quality and standard products. By providing the products with the desired quality and standards we aim to achieve highest level of customer satisfaction and procure repeated orders from customers.

**3) Quality Assurance and Control**

We have received an ISO 9001:2008 certification on the quality management system of our company for designing and manufacturing of Electronic meters, LT Distribution boxes, meter boxes and other enclosures. We follow a practice of testing our products for the desired quality and customer requirement before dispatching the same to the customers. We perform test such as visual inspection, mechanical test, Insulation resistance test, Electrical operational test, Continuity test, high voltage and temperature test to ensure the quality and safety of the products.

**4) Integrated manufacturing facility**

We do continuous endeavor to maintain the requisite infrastructure and technological upgradation for the smooth running of the manufacturing process as well as to cope with the changing market demand situation. There is a continuous change in the technology and the markets are very dynamic to the change in technology. We keep ourselves technologically upgraded with the latest machines and infrastructure.

**5) Experienced Promoter and skilled workforce**

Our promoter namely; Mr. Ashok Kumar Agarwal, Mr. Ankit Agrawal & Mrs. Neha Agrawal have more than 38, 18 and 2 years of experience. Under their guidance, knowledge and business skills we have been able to successfully implement our business plans and achieve growth.

**OUR BUSINESS STRATEGIES**

**1) Leveraging Market Skills**

Under the leadership and experience of our Promoter namely Mr. Ankit Agrawal who is overseeing the marketing of the products and also handles the co-ordination with the various State Electricity Boards (SEBs) in the country we have been able to procure good orders. We aim to further leverage our marketing skills and relationships and further enhancing customer satisfaction. We also intend to further expand our client base by meeting orders in time and maintaining customer relationships.

**2) 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.

**3) Achieving Operational Efficiencies**

Our company aims to achieve operational efficiencies through cost reduction. We believe that this could be done through economies of scale and further increasing our areas of operations. We continue to invest in latest technology to ensure operational and management efficiencies, and to standard to quality. Also, increasing our penetration in existing regions will enable us to penetrate into new catchment areas within these regions. As a result our company will be able to increase its market share and profitability.

**4) Expand Distribution Network & Customer Base**

Our company has presence in many parts of the country and aims to further increase its production capacity. We aim to widen our marketing network further to cover unexplored areas in India and strengthen our customer base.

**OUR LOCATION:-**

<b>Registered Office&amp; Factory Premises</b>	7 K.M. From Chaksu, Khotkawda Road, Village Badodiya, Tehsil Chaksu, Tonk Road, Jaipur-303901, Rajasthan, India
<b>MIA Factory</b>	B-11, (B&C), Malviya Industrial Area, Jaipur-302017, Rajasthan, India

**OUR PRODUCT PORTFOLIO:-**

Major products manufactured by us are as follows:-

- Distribution Boxes LT Distribution Boxes for “X” Mers. Single & Three Phase from 10KVA to 500 KVA
- LT Distribution Boxes for A.B. Cables. Single & Three Phase from 100AMP to 250AMP
- Meter Boxes such as LTCT Meter Boxes, Whole Current Meter Boxes, Meter Cum Protection Boxes
- Circuit Breaker and fuses such as Moulded Case Circuit Breaker, Kitkat Fuses, HRC Fuse Base & Link Disconnecter, Switch Disconnecter
- FRP Pultruded ladders, Fencing, FRP Gratings & Cable Trays, etc.
- Pole Mounted street Light Boxes
- Meter Boards & BPL Kits
- Feeder Pillars

**SWOT ANALYSIS:-**

<b>Strengths:</b>	<b>Weaknesses</b>
<ul style="list-style-type: none"> <li>• Quality of the products gives a market edge for most of the suppliers.</li> <li>• Manufacturing of SMC enclosures, demand for which is continuously rising.</li> <li>• Competitive edge in terms of quality and competitive bidding.</li> <li>• The company has well knit marketing network.</li> <li>• Long Experience of Promoter in the Field.</li> </ul>	<ul style="list-style-type: none"> <li>• Company has to mainly depend on the financially weak SEBs for its sales. Though the payment is almost secure but the delay in payment is normal feature of some of the SEBs.</li> <li>• Uncertainty and slow pace of reforms.</li> <li>• Macroeconomic challengers which constrain public and private funding.</li> </ul>
<b>Opportunities</b>	<b>Threats</b>
<ul style="list-style-type: none"> <li>• The Government is focusing on increasing the penetration of power supply in villages.</li> <li>• Expansion of key industry sector like power, steel, petrochemicals, telecom and others.</li> <li>• Per capita consumption of energy being relatively low, the growth potential for this industry in medium and long term is high.</li> <li>• Replacement and retrofitting programmes.</li> <li>• Government’s focus on improving health of Electricity Boards through various schemes and other measures</li> </ul>	<ul style="list-style-type: none"> <li>• Economical and Political scenario in the country.</li> <li>• More preference to alternative material due to awakening for “Environmental Issues”.</li> </ul>

**SUMMARY OF OUR FINANCIAL**

**ANNEXURE – I  
RESTATED STATEMENT OF ASSETS AND LIABILITIES**

(Amt. in ₹)

Particulars	As at					
	30-09-2016	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
<b>I. EQUITY AND LIABILITIES</b>						
<b>Shareholder's Funds</b>						
Share Capital	4,32,42,000	1,08,10,500	1,08,10,500	1,08,10,500	64,89,600	64,89,600
Reserves and Surplus (excluding Revaluation Reserves, if any)	6,63,00,263	9,01,75,227	8,22,74,480	8,01,31,261	4,57,13,859	4,37,29,192
Money received against share warrants	0.00	-	-	-	-	-
<b>Share Application Money Pending Allotment</b>	0.00	-	-	-	1,23,10,400	1,35,10,400
<b>Non Current Liabilities</b>						
Long-term Borrowings	15,79,23,181	15,03,24,197	11,90,72,940	13,45,21,719	14,82,36,961	14,04,00,809
Deferred tax liabilities (Net)	81,12,665	90,88,630	52,68,330	41,45,657	30,92,969	42,40,101
Other Long Term Liabilities	1,34,79,939	2,28,28,056	2,74,46,543	1,34,79,939	1,34,79,939	1,34,79,939
Long-term Provisions	7,93,387	6,97,265	10,31,487	7,84,416	7,00,532	5,26,622
<b>Current Liabilities</b>						
Short-term Borrowings	100,472,378	9,05,20,388	8,30,95,635	9,55,82,530	9,54,70,862	13,52,17,869
Trade Payables	128,523,367	8,87,06,172	6,83,75,277	6,41,54,076	12,16,85,887	10,42,91,681
Other Current Liabilities	7,33,87,149	2,76,50,577	5,89,25,830	2,51,95,789	3,60,09,292	2,50,00,322
Short-term Provisions	489,067	10,440	22,863	20,532	18,902	16,931
<b>Total</b>	<b>592,723,395</b>	<b>49,08,11,451</b>	<b>45,63,23,885</b>	<b>42,88,26,419</b>	<b>48,32,09,203</b>	<b>48,69,03,466</b>
<b>II. ASSETS</b>						
<b>Non Current Assets</b>						
Fixed assets						
(i) Tangible Assets	22,62,89,312	22,84,58,403	19,98,65,796	19,02,71,834	14,17,22,869	14,60,81,171
(ii) Intangible Assets	44,577	89,154	2,00,766	3,12,502	4,29,248	5,66,018
(iii) Capital Work-In-Progress	-	-	2,58,72,557	2,26,00,075	6,86,14,944	6,03,15,529
(iv) Intangible Assets Under Development	-	-	-	-	-	-
Non Current Investments	-	-	-	-	-	-
Deferred Tax Assets (Net)	-	-	-	-	-	-
Long-term Loans and Advances	1,07,289	1,07,289	1,07,289	3,36,036	5,53,231	5,53,231
Other Non Current Assets	11,72,369	11,24,369	11,24,369	11,24,369	1,28,45,872	1,20,24,201
<b>Current assets</b>						
Current Investments	-	-	-	-	-	-
Inventories	5,49,02,937	4,99,09,122	6,30,92,775	4,14,52,674	7,42,19,113	8,79,10,490
Trade Receivables	23,64,86,617	16,17,58,651	10,49,45,920	10,78,51,081	12,17,55,252	14,21,97,958
Cash and Cash Equivalents	2,37,47,956	2,36,81,029	2,37,69,819	3,70,74,879	3,89,79,877	71,92,458
Short-term Loans and Advances	3,16,92,781	1,12,72,876	2,88,01,883	2,10,79,634	96,81,254	1,42,52,315
Other Current Assets	1,82,79,555	1,44,10,556	85,42,710	67,23,336	1,44,07,544	1,58,10,095
<b>Total</b>	<b>59,27,23,395</b>	<b>49,08,11,451</b>	<b>45,63,23,885</b>	<b>42,88,26,419</b>	<b>48,32,09,203</b>	<b>48,69,03,466</b>

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



**ANNEXURE – II**  
**RESTATED STATEMENT OF PROFIT AND LOSS**

(Amt in ₹)

Particulars	For the Period/Year ended					
	30-09-2016	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
Revenue from Operations (Gross)	28,41,45,606	60,74,76,472	48,46,90,394	44,72,58,091	41,78,71,484	34,66,53,759
Less: Excise Duty	2,46,91,987	(5,31,20,327)	(3,24,03,149)	(4,28,83,716)	(3,92,03,093)	(3,10,78,620)
Net Revenue From Operation	25,94,53,620	55,43,56,145	45,22,87,245	40,43,74,375	37,86,68,391	31,55,75,139
Other income	15,11,406	41,77,885	51,53,455	43,38,125	41,29,336	32,90,788
<b>Total Revenue</b>	<b>A 26,09,65,025</b>	<b>55,85,34,030</b>	<b>45,74,40,700</b>	<b>40,87,12,501</b>	<b>38,27,97,728</b>	<b>31,88,65,928</b>
Expenses:						
Cost of Material Consumed	6,98,79,839	17,61,83,056	15,66,68,400	15,12,23,285	13,72,09,301	13,55,20,294
Purchases of Stock in Trade	2,82,60,795	8,30,90,182	11,01,04,057	95,16,560	3,10,21,011	1,02,46,849
Changes in inventories of finished goods, WIP and Stock-in-Trade	98,17,088	90,78,877	(1,60,12,471)	3,88,35,781	(34,36,975)	(4,03,22,688)
Employee benefits expense	1,06,75,654	2,00,46,088	1,69,13,484	2,33,52,973	2,10,49,139	92,00,281
Finance costs	2,39,16,187	4,61,47,596	3,68,93,136	4,11,23,867	3,46,90,025	2,66,19,013
Depreciation and amortization expense	78,79,375	1,35,42,611	1,25,01,553	1,05,20,733	97,93,938	80,14,601
Other expenses	10,28,01,722	19,87,24,574	13,68,79,195	13,15,41,658	15,16,33,753	16,93,81,365
<b>Total Expenses</b>	<b>B 25,32,30,661</b>	<b>54,68,12,984</b>	<b>45,39,47,354</b>	<b>40,61,14,857</b>	<b>38,19,60,192</b>	<b>31,86,59,714</b>
Profit before extraordinary items and tax	77,34,365	1,17,21,047	34,93,346	25,97,643	8,37,536	2,06,214
Exceptional/Prior Period item	-	-	-	4,65,696	-	-
<b>Profit Before Tax</b>	<b>77,34,365</b>	<b>1,17,21,047</b>	<b>34,93,346</b>	<b>30,63,339</b>	<b>8,37,536</b>	<b>2,06,214</b>
Provision for Tax						
- Current Tax	17,79,171	21,96,970	8,81,780	6,01,150	1,94,260	1,44,830
- Deferred Tax Liability / (Asset)	(9,75,965)	38,20,300	11,22,673	10,52,688	(11,47,132)	25,72,983
MAT Credit Entitlement	(17,79,171)	(21,96,970)	(8,81,780)	(6,01,150)	(1,94,260)	(1,44,830)
MAT Credit Utilized	-	-	-	-	-	-
Short/(Excess) Tax adjustment of prior years	1,53,793	-	-	-	-	4,561
<b>Restated profit after tax for the period from continuing operations</b>	<b>85,56,536</b>	<b>79,00,747</b>	<b>23,70,673</b>	<b>20,10,651</b>	<b>19,84,668</b>	<b>(23,71,330)</b>
Profit/ (Loss) from Discontinuing operation	-	-	-	-	-	-
Tax expenses of discontinuing operations	-	-	-	-	-	-
<b>Restated profit for the period</b>	<b>85,56,536</b>	<b>79,00,747</b>	<b>23,70,673</b>	<b>20,10,651</b>	<b>19,84,668</b>	<b>(23,71,330)</b>
The above statement should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure IV, I and III.						

**ANNEXURE – III**  
**RESTATED CASH FLOW STATEMENT**

(Amt in ₹)

Particulars	For the Period/Year ended					
	30-09-2016	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>						
Net Profit before tax	77,34,365	1,17,21,047	34,93,346	30,63,339	8,37,536	2,06,213
Adjustment for :						
Interest on Fixed Deposit	(14,47,150)	(39,04,352)	(49,47,983)	(40,96,835)	(35,46,292)	(19,18,531)
Dividend Income	-	-	-	-	-	-
Depreciation	78,79,375	1,35,42,611	1,25,01,553	1,05,20,733	97,93,938	80,14,601
Provision for Gratuity	5,74,749	(3,46,645)	2,49,402	85,514	1,75,881	5,43,553
Loss / (Profit) on sale of Fixed Assets	0.00	(50,629)	(5,009)	-	(28,781)	-
Balance Write off		-	-	-	-	28,200
Interest on Borrowed Fund	2,39,16,187	4,61,47,596	3,68,93,136	4,11,23,867	3,46,90,025	2,66,19,013
<b>Operating profit before working capital changes</b>	<b>3,86,57,526</b>	<b>6,71,09,628</b>	<b>4,81,84,445</b>	<b>5,06,96,618</b>	<b>4,19,22,307</b>	<b>3,34,93,050</b>
Adjustment for :						
(Increase)/Decrease in Inventories	(49,93,815)	1,31,83,653	(2,16,40,102)	3,27,66,439	1,36,91,377	(4,56,80,158)
(Increase)/Decrease in Trade Receivables	(7,47,27,966)	(5,68,12,731)	29,05,161	1,39,04,171	2,04,42,706	(5,56,41,018)
(Increase)/Decrease in Short Term loans and advances	(2,04,19,905)	1,75,29,006	(77,22,248)	(1,13,98,381)	45,71,061	65,13,557
(Increase)/Decrease in Other Current Assets	(38,68,999)	(58,67,846)	(18,19,374)	76,84,208	14,02,551	(64,26,048)
(Increase)/Decrease in Long Term loans and advances	-	-	2,28,747	2,17,195	-	-
Increase/(Decrease) in trade payables	3,98,17,195	2,03,30,895	42,21,200	(5,75,31,811)	1,73,94,205	4,27,92,937
Increase/(Decrease) in provisions		-	-	-	-	-
Increase/(Decrease) in other current liabilities	4,30,51,007	(3,12,75,253)	3,37,30,041	(10,813,503)	1,10,08,970	30,03,259
<b>Cash generated from / (used in) operations</b>	<b>1,75,15,044</b>	<b>2,41,97,352</b>	<b>5,80,87,870</b>	<b>2,55,24,938</b>	<b>11,04,33,177</b>	<b>(2,19,44,522)</b>
Income Tax paid	1,53,793	-	-	-	-	(4,561)
<b>Net cash generated from/(used in) operating activities - (A)</b>	<b>1,73,61,251</b>	<b>2,41,97,352</b>	<b>5,80,87,870</b>	<b>2,55,24,938</b>	<b>11,04,33,177</b>	<b>(2,19,49,084)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>						
Purchase of tangible fixed assets	(1,22,91,047)	(2,04,27,866)	(2,58,78,707)	(1,33,35,051)	(1,45,85,200)	(4,59,09,603)
Sale (Purchase) of long-term Assets	(48,000)	-	-	1,17,21,503	(8,21,671)	5,24,758
Sale of tangible fixed assets	66,25,340	43,27,446	4,00,000	3,96,968	10,15,700	-
Interest Income on Fixed Deposit	14,47,150	39,04,352	49,47,983	40,96,835	35,46,292	19,18,531
Dividend Income						
<b>Net cash (used in) Investing Activities - (B)</b>	<b>(42,66,557)</b>	<b>(1,21,96,068)</b>	<b>(2,05,30,724)</b>	<b>28,80,255</b>	<b>(1,08,44,879)</b>	<b>(4,34,66,316)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>						
Proceeds from issue of Share Capital/Share application Money(Including Premium)	-	-	1,39,66,605	2,44,17,250	(12,00,000)	16,66,000
Repayment of borrowings	1,08,88,421	3,40,57,522	(2,79,35,674)	(1,36,03,574)	(3,19,10,855)	8,28,23,155
Interest on Borrowed Fund	(2,39,16,817)	(4,61,47,597)	(3,68,93,136)	(4,11,23,867)	(3,46,90,025)	(2,66,19,013)

Proposed Dividend Paid (Including Dividend Distribution Tax)	-	-	-	-	-	-
<b>Net cash(used in) / from financing activities - (C)</b>	<b>(1,30,27,766)</b>	<b>(1,20,90,075)</b>	<b>(5,08,62,206)</b>	<b>(3,03,10,191)</b>	<b>(6,78,00,880)</b>	<b>5,78,70,143</b>
Net Increase/(decrease) in Cash & Cash Equivalents (A+B+C)	66,928	(88,791)	(1,33,05,060)	(19,04,998)	3,17,87,419	(75,45,256)
Cash and cash equivalents at the beginning of the year	236,81,029	2,37,69,819	3,70,74,879	3,89,79,877	71,92,458	1,47,37,715
Cash and cash equivalents at the end of the year	237,47,956	2,36,81,029	2,37,69,819	3,70,74,879	3,89,79,877	71,92,458
Cash and cash equivalents at the end of year comprises :						
1. Components of cash and cash equivalents:						
<b>Particulars</b>		<b>31-03-2016</b>	<b>31-03-2015</b>	<b>31-03-2014</b>	<b>31-03-2013</b>	<b>31-03-2012</b>
Cash on hand	928734	3,92,627	27,83,291	34,64,910	43,09,547	30,84,176
Balances with scheduled banks:						
In current accounts	1035447	3,74,190	7,87,432	5,49,406	5,68,338	26,13,541
in Deposits with Scheduled Bank	21783775	2,29,14,213	2,01,99,096	3,30,60,562	3,41,01,992	14,94,741
Total Cash and cash equivalents	23747956	2,36,81,029	2,37,69,819	3,70,74,879	3,89,79,877	71,92,458
2. 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).						
3. Figures in Brackets represents outflow.						
4. The above statement should be read with the significant accounting policies and notes to restated summary statement of assets & Liabilities, profits and losses and cash flows appearing in Annexure IV, II and I.						

### THE ISSUE

PRESENT ISSUE IN TERMS OF THIS PROSPECTUS	
<b>Equity Shares Offered:</b> Public Issue of Equity Shares by our Company	15,36,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ 27.00/- per share aggregating to ₹ 414.72 Lakhs
<i>of which</i>	
<i>Fresh Issue<sup>(1)</sup></i>	7,68,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ 27.00/- per share aggregating to ₹ 207.36 Lakhs
<i>Offer for Sale<sup>(2)</sup></i>	7,68,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ 27.00/- per share aggregating to ₹ 207.36 Lakhs
<i>of which</i>	
<b>Issue Reserved for the Market Makers</b>	96,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ 27.00/- per share aggregating ₹ 25.92 Lakhs
<b>Net Issue to the Public*</b>	14,40,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ 27.00/- per share aggregating ₹ 388.80 Lakhs
	<b>of which</b>
	7,20,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ 27.00/- per share ( including a premium of ₹ 17.00 per Equity Share) will be available for allocation for allotment to Retail Individual Investors of up to ₹ 2.00 Lacs
	7,20,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ 27.00/- per share ( including a premium of ₹ 17.00 per Equity Share) will be available for allocation for allotment to Other Investors of above ₹ 2.00 Lacs
<b>Equity Shares outstanding prior to the Issue</b>	43,24,200 Equity Shares of face value of ₹10 each
<b>Equity Shares outstanding after the Issue</b>	50,92,200 Equity Shares of face value of ₹10 each
<b>Objects of the Issue/ Use of Issue Proceeds</b>	Please see the chapter titled “ <i>Objects of the Issue</i> ” on page 74 of this Prospectus

<sup>(1)</sup> Fresh Issue of 7,68,000 Equity Shares in terms of Prospectus has been authorized pursuant to a resolution of our Board of Directors dated May 31, 2016 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 June 08, 2016.

<sup>(2)</sup> The offer for sale by Mr. Ankit Agrawal, Mr. Ashok Kumar Agarwal, Mrs. Santosh Agarwal, Mrs. Parwati Bai Agarwal, M/s Vitthal Das Agrawal HUF, M/s Ashok Kumar Agarwal HUF and Argent Leasing and Finance Private Limited (“Selling Shareholders”) for 7,68,000 authorised by their respective undertaking/ Board Resolution dated August 08, 2016.

This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. For further details please see the section titled “**Issue Related Information**” beginning on page 219 of this Prospectus

\*As per Regulation 43(4) of the SEBI (ICDR) Regulations, as amended, the present issue is a fixed price issue ‘the allocation’ is the net offer to the public category shall be made as follows:

- a) Minimum fifty percent to retail individual investors; and
- b) Remaining to other than Retail Individual Investors.

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

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

For further details please refer to the chapter titled “**Issue Structure**” beginning on page 225 of this prospectus.

## **GENERAL INFORMATION**

Our Company was originally incorporated on August 23, 1994 as “RFH METAL CASTINGS PRIVATE LIMITED” vide Registration no. 008698 (CIN U27310RJ1994PTC008698) under the provisions of the Companies Act, 1956 with the Registrar of Companies, Rajasthan, Jaipur. Subsequently 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 December 12, 2008 and the name of our Company was changed to “RFH METAL CASTINGS LIMITED” vide a fresh Certificate of Incorporation dated December 29, 2008 having (CIN U27310RJ1994PLC008698) issued by the Registrar of Companies, Rajasthan, Jaipur. Later vide Shareholders Resolution passed at the Extra Ordinary General Meeting of the Company held on March 25, 2009 and a fresh Certificate of Incorporation dated March 30, 2009 issued by the Registrar of Companies, Rajasthan, Jaipur the name of our Company was changed to “RMC SWITCH GEARS LIMITED”. Further, Our Company vide Shareholders Resolution passed at the Extra Ordinary General Meeting held on July 16, 2016 and a fresh Certificate of Incorporation dated July 25, 2016 issued by the Registrar of Companies, Rajasthan, Jaipur and the name of our Company was changed to “RMC SWITCHGEARS LIMITED having (CIN U27310RJ1994PLC008698)”.

For further details please refer to chapter titled “*History and Certain Corporate Matters*” beginning on page 113 of this Prospectus.

### **REGISTERED OFFICE & FACTORY**

#### **RMC Switchgears Limited**

(Formerly known as RMC Switch Gears Limited)  
7 KM. from Chaksu, Khotkawda Road,  
Village Badodiya, Tehsil Chaksu,  
Tonk Road, Jaipur-303901,  
Rajasthan, India  
E-mail: [info@rmcindia.in](mailto:info@rmcindia.in)  
Website: [www.rmcindia.in](http://www.rmcindia.in)  
Corporate Identification Number: U27310RJ1994PLC008698  
Registration Number: 008698

### **MIA FACTORY OF OUR COMPANY**

#### **RMC Switchgears Limited**

(Formerly known as RMC Switch Gears Limited)  
B-11 (B&C), Malviya Industrial Area,  
Jaipur-302017, Rajasthan, India  
Tel. No. +91-141-4031516, +91-141-2759678  
Email: [info@rmcindia.in](mailto:info@rmcindia.in)  
Website: [www.rmcindia.in](http://www.rmcindia.in)

### **ADDRESS OF REGISTRAR OF COMPANIES**

Registrar of Companies, Rajasthan, Jaipur  
Corporate Bhawan, G/6-7, Second Floor,  
Residency Area, Civil Lines,  
Jaipur- 302001, Rajasthan  
Phone: 0141-2222465/466; Fax: 0141-2222464  
Email: [roc.jaipur@mca.gov.in](mailto:roc.jaipur@mca.gov.in)  
Website: <http://www.mca.gov.in>

### **BOARD OF DIRECTORS OF OUR COMPANY**

Our Board of Directors of our Company consists of:

Name	Designation	Address	DIN
Mr. Ashok Kumar Agarwal	Chairman & Managing Director	B-103B, Manu Marg, Tilak Nagar Jaipur 302004, Rajasthan, India	00793152
Mr. Ankit Agrawal	Whole Time Director	B-103B, Manu Marg, Tilak Nagar Jaipur 302004, Rajasthan, India	00793035
Mrs. Neha Agrawal	Executive Director	B-103B, Manu Marg, Tilak Nagar Jaipur 302004, Rajasthan, India	07540311
Mr. Devi Shankar Goyal	Non Executive Independent Director	4271, Goyal Bhawan, Rasta Nindar Ravji, Chandpole Bazaar, Jaipur -302001, Rajasthan India	07559565
Mr. Suresh Kumar Jain	Non Executive Independent Director	402, Mahaveer Nagar, Adarsh Block, Tonk Road, Jaipur – 302015, Rajasthan, India	07546087
Mrs. Radhika Agarwal	Non Executive Independent Director	C-3, Azad Marg, C-Scheme, Jaipur-302001, Rajasthan, India	07579658

For further details of the Directors of our Company, please refer to the chapter titled “*Our Management*” on page 120 of this Prospectus.

#### COMPANY SECRETARY AND COMPLIANCE OFFICER

Ms. Priyanka Gattani  
**RMC Switchgears Limited**  
 (Formerly known as RMC Switch Gears Limited)  
 B-11 (B&C), Malviya Industrial Area,  
 Jaipur-302017,  
 Rajasthan, India  
 Tel. No. +91-141-4031516, +91-141-2759678  
 E-mail: [.cs@rmcindia.in](mailto:.cs@rmcindia.in)  
 Website: [www.rmcindia.in](http://www.rmcindia.in)

#### CHIEF FINANCIAL OFFICER

Mr. Shiv Charan Maheshwari  
**RMC Switchgears Limited**  
 (Formerly known as RMC Switch Gears Limited)  
 B-11 (B&C), Malviya Industrial Area,  
 Jaipur-302017,  
 Rajasthan, India  
 Tel. No. +91-141-4031516, +91-141-2759678  
 E-mail: [.info@rmcindia.in](mailto:.info@rmcindia.in)  
 Website: [www.rmcindia.in](http://www.rmcindia.in)

*Note - Investors can contact our Compliance Officer in case of any pre-Issue or post-Issue related matters such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary account etc.*

#### Selling Shareholders:-

The details of our Selling Shareholders are set forth below:

S.No.	Name of Selling Shareholders	Numbers of Shares
1.	Mr. Ankit Agrawal	71,000
2.	Mr. Ashok Kumar Agarwal	70,000
3.	Mrs. Santosh Agarwal	1,77,000
4.	Mrs. Parwati Bai Agarwal	86,000
5.	M/s Vitthal Das Agrawal HUF	1,57,000

6.	Argent Leasing & Finance Private Limited	1,37,000
7.	M/s Ashok Kumar Agarwal HUF	70,000
<b>Total</b>		<b>7,68,000</b>

**Details of Key Intermediaries pertaining to this Issue and Our Company:**
**LEAD MANAGER OF THE ISSUE**
**HEM SECURITIES LIMITED**

14/15 Khatau Building, 1st Floor, 40 Bank Street,  
Fort, Mumbai – 400001, Maharashtra

**Tel No.:** +91-22-49060000

**Fax No.:** +91-22-22625991

**Email:** [ib@hemsecurities.com](mailto:ib@hemsecurities.com)

**Investor Grievance Email:** [redressal@hemsecurities.com](mailto:redressal@hemsecurities.com)

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

**Contact Person:** Mr. Anil Bhargava

**SEBI Regn. No.:** INM000010981

**LEGAL ADVISOR TO THE ISSUE**
**M/s. S. N. ADVISORS**

401, 4th Floor, Jagdamba Tower, Near Amrapali Circle,  
Vaishali Nagar, Jaipur -302021, Rajasthan

**Tel. No.:** 91-141- 2357809

**Email:** [sn.advisors16@gmail.com](mailto:sn.advisors16@gmail.com)

**Contact Person:** Ms. Nisha Agarwal

**REGISTRAR TO THE ISSUE**
**LINK INTIME INDIA PRIVATE LIMITED**

C-13, Pannalal Silkmills, Compound,  
L B S Marg, Bhandup (W), Mumbai-400078,  
Maharashtra, India

**Tel No.:** +91-22-61715400

**Fax No.:** +91-22-25960329

**Email:** [rmc.ipo@linkintime.co.in](mailto:rmc.ipo@linkintime.co.in)

**Investor Grievance Email:** [rmc.ipo@linkintime.co.in](mailto:rmc.ipo@linkintime.co.in)

**Website:** [www.linkintime.co.in](http://www.linkintime.co.in)

**Contact Person:** Ms. Shanti Gopalkrishnan

**SEBI Regn. No.:** INR000004058

**BANKERS TO THE COMPANY**
**THE FEDERAL BANK LIMITED**

C-98, Sanghi Upasana Tower, Subhash Marg,  
C-scheme, Jaipur

**Tel No.:** 0141-2360279

**Fax No.:** 0141-2360925

**Email:** [jap@federalbank.co.in](mailto:jap@federalbank.co.in)

**Website:** [www.federalbank.co.in](http://www.federalbank.co.in)

**Contact Person:** Mr. Vinayachandran C. S

**STATUTORY AUDITORS OF THE COMPANY**

**M/s. SARASWAT AND COMPANY  
CHARTERED ACCOUNTANTS**

Jaipur Tower, B-5, Basement,  
M I Road, Jaipur-302001  
Rajasthan, India  
**Tel. No:** +91-141-2363908  
**Email:** [indu123@hotmail.com](mailto:indu123@hotmail.com)  
**Firm Registration No.:** 004846C  
**Contact Person:** Mr. Pravin Saraswat

**PEER REVIEW AUDITORS**

**M/s Narendra Sharma & CO  
CHARTERED ACCOUNTANTS**

B-21, Jaipur Tower, M.I. Road,  
Jaipur-302001, Rajasthan, India  
**Tel. No.:** +91 - 141 - 2363476  
**Fax No.:** +91- 141 - 2362732  
**Email:** [caygautam@yahoo.com](mailto:caygautam@yahoo.com)  
**Firm Registration No.:** 004983C  
**Contact Person:** Mr. Yogesh Gautam

**BANKERS TO THE ISSUE**

**THE FEDERAL BANK LIMITED**

C-98, Sanghi Upasana Tower, Subhash Marg,  
C-Scheme, Jaipur  
**Tel No.:** 0141-2360279  
**Fax No.:** 0141-2360925  
**Email:** [jap@federalbank.co.in](mailto:jap@federalbank.co.in)  
**Website:** [www.federalbank.co.in](http://www.federalbank.co.in)  
**Contact Person:** Mr. Vinayachandran C. S

Investors may contact our Company Secretary and Compliance Officer and / or the Registrar to the Issue and/ or the Lead Manager, in case of any pre-issue or post-issue related problems such as non-receipt of letters of Allotment, credit of allotted Equity Shares in the respective beneficiary account.

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

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

**STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES**

Since Hem Securities Limited is the sole Lead Manager to this Issue, a statement of inter se allocation of responsibilities among 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 [www.sebi.gov.in/pmd/scsb.pdf](http://www.sebi.gov.in/pmd/scsb.pdf) 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 BSE at [www.bseindia.com](http://www.bseindia.com), 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 [www.bseindia.com](http://www.bseindia.com), 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 [www.bseindia.com](http://www.bseindia.com), as updated from time to time.

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

#### **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. 50000.00 Lacs and hence our Company has not appointed a monitoring agency for this issue.

However, as per the Regulation 18 (3) read with part C of schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Audit Committee of our Company would be monitoring the utilization of the proceeds of the Issue.

#### **APPRAISING ENTITY**

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

## EXPERTS OPINION

Except for the reports in the section “*Financial Information of the Company*” and “*Statement of Tax Benefits*” on page 146 & 84 of this Prospectus from the Peer Review Auditors and Statutory Auditor respectively, our Company has not obtained any expert opinions. We have received written consent from the Peer Review Auditors and Statutory Auditor 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.

## UNDERWRITING

The Company and the Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten by Hem Securities Limited in the capacity of Underwriter to the Issue.

Pursuant to the terms of the Underwriting Agreement dated October 03, 2016 entered into by us with Underwriter – Hem Securities Limited, 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	No. of shares underwritten	Amount Underwritten (₹ in Lakhs)	% of Total Issue Size Underwritten
Hem Securities Limited 203, Jaipur Tower, M.I. Road, Jaipur, Rajasthan Tel : 0141-4051000; Fax: 0141-50101747 Website : ww.hemsecurities.com Email : underwriter@hemsecurities.com Contact Person: Mr. Anil Bhargava SEBI Regn No. INM000010981	15,36,000* Equity Shares of ₹ 10/- being issued at ₹ 27.00 each	414.72	100%

*\*Includes 96000 Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker (Hem Securities Limited) 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 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 lead Manager has entered into Market Making Agreement dated October 03, 2016 with the following Market Maker, to fulfill the obligations of Market Making for this issue:

<b>Name</b>	Hem Securities Ltd.
<b>Correspondence Address:</b>	203, Jaipur Tower, M.I. Road, Jaipur – 302 001, Rajasthan, India
<b>Tel No.:</b>	+ 91 - 141 – 4051000
<b>Fax No.</b>	+ 91 - 141 – 5101757
<b>E-mail:</b>	mm@hemsecurities.com
<b>Website:</b>	www.hemsecurities.com
<b>Contact Person:</b>	Mr. Anil Bhargava
<b>SEBI Registration No.:</b>	INB011069953
<b>BSE Market Maker Registration No.</b>	SMEMM0024801022013

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

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

1. The Market Maker(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).
2. The minimum depth of the quote shall be ₹ 1, 00,000. However, the investors with holdings of value less than ₹ 1,00,000 shall be allowed to offer their holding to the Market Maker(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.
3. 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.
4. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE may intimate the same to SEBI after due verification.
5. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
6. 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.
7. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on SME Platform of BSE and market maker will remain present as per the guidelines mentioned under BSE and SEBI circulars.
8. 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.
9. The Market Maker(s) shall have the right to terminate said arrangement by giving a three months notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s).

In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI (ICDR) Regulations, 2009. Further our Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our registered office from 11.00 a.m. to 5.00 p.m. on working days.

10. **Risk containment measures and monitoring for Market Makers:** BSE SME Exchange will have all margins, which are applicable on the BSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
11. **Price Band and Spreads:** The price band shall be 20% and the market maker spread (difference between the sell and buy Quote) shall be within 10% or as intimated by the exchange from time to time.
12. **Punitive Action in case of default by Market Makers:** BSE 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.

13. 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 as follows:

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

14. 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 Prospectus.

(₹ in Lacs, except share data)

Sr. No.	Particulars	Aggregate Value at Face Value	Aggregate Value at Issue Price
A	<b>Authorized Share Capital</b> 65,00,000 Equity Shares having Face Value of ₹ 10/- each	650.00	-
B	<b>Issued, Subscribed &amp; Paid-up Share Capital prior to the Issue</b> 43,24,200 Equity Shares having Face Value of ₹10/- each	432.42	-
C	<b>Present Issue in terms of this Prospectus*</b> 15,36,000 Equity Shares having Face Value of ₹ 10/- each at a Premium of ₹ 17.00/- per share	153.60	414.72
	<b>Which Comprises</b>		
I.	<b>Reservation for Market Maker portion</b> 96000 Equity Shares of ₹10/- each at a premium of ₹ 17.00/- per Equity Share	9.60	25.92
II.	<b>Net Issue to the Public</b> 14,40,000 Equity Shares of ₹ 10/- each at a premium of ₹ 17.00/- per Equity Share	144.00	388.80
	<b>of which</b>		
	7,20,000 Equity Shares of ₹ 10/- each at a premium of ₹ 17.00/- per Equity Share will be available for allocation for allotment to Retail Individual Investors of up to ₹ 2.00 Lacs	72.00	194.40
	7,20,000 Equity Shares of ₹ 10/- each at a premium of ₹ 17.00/- per Equity Share will be available for allocation for allotment to Other Investors of above ₹ 2.00 Lacs	72.00	194.40
D	<b>Paid up Equity capital after the Issue</b> 50,92,200 Equity Shares having Face Value of ₹10/- each	509.22	-
E	<b>Securities Premium Account</b> Before the Issue After the Issue		337.55 468.11

\*The present Issue of 7,68,000 Equity Shares in terms of Prospectus has been authorized pursuant to a resolution of our Board of Directors dated May 31, 2016 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 June 08, 2016.

The offer of 7,68,000 Equity Shares in terms of Prospectus has been authorised pursuant to a resolution of our Board of Directors dated August 10, 2016

The offer for sale by Mr. Ankit Agrawal, Mr. Ashok Kumar Agarwal, Mrs. Santosh Agarwal, Mrs. Parwati Bai Agarwal, M/s Vitthal Das Agrawal HUF, M/s Ashok Kumar Agarwal HUF and Argent Leasing and Finance Private Limited ("Selling Shareholders") for 7,68,000 authorised by their respective undertaking/ Board Resolution dated August 08, 2016.

#### 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 Equity Shares issued are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Prospectus.

#### Notes to Capital Structure

##### 1. Details of Increase/Changes in Authorized Share Capital of our Company:

Date of Meeting	AGM/ EGM	Changes in Authorized Share Capital
On Incorporation	---	Authorized share capital of the Company ₹ 1.00 Lakh divided into 1000 Equity Shares of ₹100/- each.
February 22, 1996	EGM	Increase in the authorized share capital of the Company from ₹ 1.00 Lakh

Date of Meeting	AGM/ EGM	Changes in Authorized Share Capital
		divided into 1000 Equity Shares of ₹100/- each to ₹ 40.00 Lakhs divided into 40,000 Equity Shares of ₹ 100/- each.
May 20, 1996	EGM	Increase in the authorized share capital of the Company from ₹ 40.00 Lakh divided into 40,000 Equity Shares of ₹ 100/- each to ₹ 45.00 Lakhs divided into 45,000 Equity Shares of ₹ 100/- each.
April 19, 2007	EGM	Increase in the authorized share capital of the Company from ₹ 45.00 Lakhs divided into 45,000 Equity Shares of ₹ 100/- each to ₹ 200.00 lakhs divided into 2,00,000 Equity Shares of ₹ 100/- each
January 06, 2010	EGM	Subdivision of Equity Shares of the Company having face value of ₹100/- each into 10 shares of face value of ₹10/- each and authorized share capital of the Company is change from ₹ 200 lakhs divided into 2,00,000 Equity Shares of ₹100/- each to ₹ 200 lakhs divided into 20,00,000 Equity Shares of ₹ 10/- each
June 08, 2016	EGM	Increase in the authorized share capital of the Company from ₹ 200.00 Lakhs divided into 20,00,000 Equity Shares of ₹ 10/- each to ₹ 650.00 lakhs divided into 65,00,000 Equity Shares of ₹ 10/- each

## 2. Paid-up Equity Share Capital History of our Company:

(a) The history of the paid-up equity share capital and the securities premium account of our company are set out in the following table:-

Date of Allotment / Date of Fully Paid Up	No. of Equity Shares allotted	Face Value (₹)	Issue Price (₹)	Nature of Consideration	Nature of Allotment	Cumulative number of Equity Shares	Cumulative Securities Premium Account (₹)	Cumulative Paid-up Capital (₹)
Upon Incorporation	30	100/-	100/-	Cash	Subscription to MOA <sup>(i)</sup>	30	NIL	3000
May 08, 1995	20	100/-	100/-	Cash	Further Allotment <sup>(ii)</sup>	50	NIL	5000
May 30, 1996	40,356	100/-	100/-	Cash	Conversion of Loan in to Equity <sup>(iii)</sup>	40,406	NIL	40,40,600
June 12, 1997	90	100/-	100/-	Cash	Further Allotment <sup>(iv)</sup>	40,496	NIL	40,49,600
March 18, 2002	200	100/-	100/-	Cash	Further Allotment <sup>(v)</sup>	40,696	NIL	40,69,600
December 11, 2008	2,660	100/-	5000/-	Cash	Conversion of Loan in to Equity <sup>(vi)</sup>	43,356	1,30,34,000	43,35,600
August 25, 2009	21,200	100/-	1000/-	Cash	Conversion of Loan in to Equity <sup>(vii)</sup>	64,556	3,21,14,000	64,55,600
Sub- Division of each Equity Shares of the Company having face value of ₹ 100/- each into 10 shares of face value of ₹ 10/- each with effect from January 06, 2010 After subdivision the restated position was as under:-								
-----	-----	10/-	-----	-----	-----	6,45,560	3,21,14,000	64,55,600
March 31, 2012	3,400	10/-	500/-	Cash	Conversion of Loan in to Equity <sup>(viii)</sup>	6,48,960	3,37,80,000	64,89,600
March 31, 2014	4,32,090	10/-	85/-	Cash	Conversion of Loan in to Equity <sup>(ix)</sup>	10,81,050	6,61,86,750	1,08,10,500
June 08, 2016*	32,43,150	10/-	-----	Bonus Issue	Bonus Issue in the ratio of	43,24,200	3,37,55,250	4,32,42,000

					3:1 <sup>(X)</sup>			
--	--	--	--	--	--------------------	--	--	--

\* Bonus issue of 32,43,150 equity shares in ratio of (3:1) dated June 08, 2016 has been issued by Capitalization of Reserve & Surplus of the Company.

**Notes:**

**(i) The Subscribers to the Memorandum of Association of Our Company were**

Name	No. of Equity Shares
Vitthal Das Agrawal	10
Vandeep Kumar	10
Ashok Kumar Agarwal	10
<b>Total</b>	<b>30</b>

**(ii) Further allotment of 20 Equity Shares were made to:**

Name	No. of Equity Shares
Ashok Kumar Agarwal	20
<b>Total</b>	<b>20</b>

**(iii) Further allotment of 40,356 Equity Shares were made to:**

Name	No. of Equity Shares
Ashok Kumar Agarwal	11,766
Vitthal das Agrawal	150
Parwati Bai Agarwal	4600
Rajendra Kumar Agarwal	180
Ashok Kumar Agarwal HUF	3130
Santosh Agarwal	8400
Dinesh Garg	190
Gayatri Garg	180
Sitaram Bindal	190
Vatsala Bindal	190
Suraj Bai	190
Kanhaiyalal Meena	190
S.K. Bardiya	6000
N.K. Bardiya	5000
<b>Total</b>	<b>40356</b>

**(iv) Further allotment of 90 Equity Shares were made to:**

Name	No. of Equity Shares
Kushal Chand Lodha	10
R.K. Nigotia	10
Bhanwar Singh Kothari	10
Champa Devi Kothari	10
Chandra Mohan Khandelwal	10
Fool Devi Agrawal	10
Rajeev Dhandia	10
Raj Kumar Soni (HUF)	10
Roshan Lal Heerwat	10
<b>Total</b>	<b>90</b>

## (v) Further allotment of 200 Equity Shares were made to:

Name	No. of Equity Shares
Arjun Lal Agrawal	50
Mathuresh Prasad Agarwal	50
Pushpa Agarwal	50
Sampay Agarwal	50
<b>Total</b>	<b>200</b>

## (vi) Further allotment of 2,660 Equity Shares were made to:

Name	No. of Equity Shares
Ashok Kumar Jain	2660
<b>Total</b>	<b>2660</b>

## (vii) Further allotment of 21,200 Equity Shares were made to:

Name	No. of Equity Shares
Ashok Kumar Agarwal	3100
Vitthal das Agrawal	1300
Parwati Bai Agarwal	3690
Ashok Kumar Agarwal HUF	2500
Santosh Agrawal	2200
Vithal Das Agarwal HUF	700
Atika Agarwal	500
Ankit Agrawal	1860
Chandra Bhan Gupta	500
Ankit Agrawal HUF	2400
Neha Agrawal	2450
<b>Total</b>	<b>21,200</b>

## (viii) Further allotment of 3,400 Equity Shares were made to:

Name	No. of Equity Shares
HJ Associates LLP	3400
<b>Total</b>	<b>3400</b>

## (ix) Further allotment of 4,32,090 Equity Shares were made to:

Name	No. of Equity Shares
Ashok Kumar Agarwal	91290
Parwati Bai Agarwal	3880
Ashok Kumar Agrawal HUF	14410
Santosh Agrawal	70580
Atika Agrawal	3170
Ankit Agrawal	58820
Ankit Agrawal HUF	2000
Argent Leasing & Finance Pvt. Ltd.	137530
Gordhan Das Maheshwari	7050
I.P. Agarwal & Sons HUF	27050
Ishwar Prasad Agarwal	1760
Rajendra Kumar Agrawal	8080
Suraj bai Agarwal	6470



<b>Total</b>	<b>432090</b>
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(v) Bonus allotment of 32,43,150 Equity Shares of face value of Rs. 10/-each in ratio of 3:1 i.e. 3 Bonus Equity Shares for every 1 Equity Shares held) were made to:

Name	No. of Equity Shares
Ashok Kumar Agarwal	393750
Vitthal Das Agrawal	47400
Parwati Bai Agarwal	291690
Ashok Kumar Agrawal HUF	212130
Santosh Agrawal	559140
Vitthal Das Agarwal HUF	493200
Atika Agrawal	26010
Ankit Agrawal	480660
Ankit Agrawal HUF	78000
Neha Agrawal	82500
H J Associates LLP	10200
Argent Leasing & Finance Pvt. Ltd	412590
I P Agrawal & Sons HUF	90750
Ishwar Prasad Agrawal	15480
Rajendra Kumar Agrawal	30240
Suraj Bai Agarwal	19410
<b>Total</b>	<b>32,43,150</b>

(b) As on the date of this Prospectus, our Company does not have any preference share capital.

### 3. Details of Allotment made in the last two years preceding the date of the Prospectus:

Date of Allotment/Date of fully Paid up	No of Equity Shares	Cumulative No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Cumulative Securities Premium Account	Cumulative Paid up Capital (Rs.)	Consideration	Nature of Issue and Category of Allottees
June 08, 2016	32,43,150	32,43,150	10	--	--	3,24,31,500	Other than Cash	Bonus in the ratio of 3:1 i.e. 3 share for every 1 shares held

### 4. 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 Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Reasons for Allotment	Benefits Accrued to our Company	Allottees	No. of Shares Allotted
June 08, 2016	3243150	10/-	--	Bonus in the ratio of 3:1 i.e. 3 share for every 1 shares held	Capitalization of Reserves	Ashok Kumar Agarwal	393750
						Vitthal Das Agrawal	47400
						Parwati Bai Agarwal	291690
						Ashok Kumar Agrawal HUF	212130
						Santosh Agrawal	559140
						Vitthal Das Agarwal HUF	493200
						Atika Agrawal	26010
						Ankit Agrawal	480660
						Ankit Agrawal HUF	78000
						Neha Agrawal	82500
H J Associates LLP	10200						

					Argent Leasing & Finance Pvt. Ltd	412590
					I P Agrawal & Sons HUF	90750
					Ishwar Prasad Agrawal	15480
					Rajendra Kumar Agrawal	30240
					Suraj Bai Agarwal	19410

- No Equity Shares have been allotted pursuant to any scheme approved under Section 391-394 of the Companies Act, 1956.
- We have not revalued our assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
- Except as mentioned below, no Equity shares have been issued at price below Issue price within last one year from the date of the Prospectus.

Date of Allotment	Allottees	No. of Equity Shares allotted	Face Value (in ₹)	Issue Price (in ₹)	Reason for Allotment	Category of Allottees
June 08, 2016	Ashok Kumar Agarwal	393750	10	--	Bonus issue in the ratio of 3:1 (3) Equity Shares for every (1) Equity shares held.	Promoter
	Vitthal Das Agrawal	47400				Promoter Group
	Parwati Bai Agarwal	291690				Promoter Group
	Ashok Kumar Agrawal HUF	212130				Promoter Group
	Santosh Agrawal	559140				Promoter Group
	Vitthal Das Agarwal HUF	493200				Promoter Group
	Atika Agrawal	26010				Promoter Group
	Ankit Agrawal	480660				Promoter
	Ankit Agrawal HUF	78000				Promoter Group
	Neha Agrawal	82500				Promoter
	Rajendra Kumar Agrawal	30240				Promoter Group
<b>Total</b>		<b>3243150</b>				

## 8. Details of Shareholding of Promoters

As on the date of this Prospectus, our Promoters Mr. Ashok Kumar Agarwal, Mr. Ankit Agrawal and Mrs. Neha Agrawal hold 5,25,000 Equity Shares, 6,40,880 Equity Shares and 1,10,000 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/ Acquisition/ Transfer Price (₹)**	Nature Of Transactions	Pre-Issue Share holding %	Post-Issue Share holding %	Lock-in Period	Source of Funds
<b>Mr. Ashok Kumar Agarwal</b>								
August 23, 1994	10	100	100	On Incorporation	0.00	0.00	----	Own Fund
May 08, 1995	20	100	100	Allotment	0.00	0.00	----	Own Fund
June 12, 1995	10	100	100	Acquisition of shares by way of Transfer <sup>(i)</sup>	0.00	0.00	----	Own Fund
May 30, 1996	11766	100	100	Allotment	0.27	0.23	----	Own Fund
March 14, 2001	(11000)	100	100	Transfer of shares <sup>(ii)</sup>	(0.25)	(0.22)	----	-----
August 25,	3100	100	1000	Allotment	0.07	0.06	----	Borrowed Fund

2009								
January 06, 2010	39060	10	---	Sub-division of Shares from Rs. 100 each to Rs. 10 each	0.90	0.77	OFS^	-----
March 31, 2014	60350 30940	10	85	Allotment	1.39 0.72	1.18 0.61	3 years OFS^	Borrowed Fund
September 09, 2014	900	10	10	Acquisition of shares by way of Transfer <sup>(iii)</sup>	0.02	0.02	1 years	Own Fund
June 08, 2016	393750	10	---	Bonus Issue	9.11	7.73	3 years	-----
<b>Mr. Ankit Agrawal</b>								
October 08, 2003	190	100	100	Acquisition of shares by way of Transfer <sup>(iv)</sup>	0.00	0.00	----	Own Fund
January 17, 2008	7000	100	100	Acquisition of shares by way of Transfer <sup>(v)</sup>	0.16	0.14	----	Own Fund
August 25, 2009	1860	100	1000	Allotment	0.04	0.04	----	Borrowed Fund
January 06, 2010	71000 19500	10	---	Sub-division of Shares from Rs. 100 each to Rs. 10 each	1.64 0.45	1.39 0.38	OFS^ 3 Years	-----
March 31, 2014	58820	10	85	Allotment	1.36	1.16	3 years	Borrowed Fund
September 09, 2014	900	10	10	Acquisition of shares by way of Transfer <sup>(vi)</sup>	0.02	0.02	1 years	Own Fund
March 25, 2016	10000	10	300 <sup>#</sup>	Acquisition of shares by way of Transfer <sup>(vii)</sup>	0.23	0.20	1 years	Borrowed Fund
June 08, 2016	480660	10	----	Bonus Issue	11.12	9.44	3 years	-----
<b>Mrs. Neha Agrawal</b>								
August 25, 2009	2450	100	1000	Allotment	0.06	0.05	----	Borrowed Fund
January 06, 2010	24500	10	---	Sub-division of Shares from Rs. 100 each to Rs. 10 each	0.57	0.48	1 years	-----
March 25, 2016	3000	10	500	Acquisition of shares by way of Transfer <sup>(viii)</sup>	0.07	0.06	3 years	Borrowed Fund
June 08, 2016	82500	10	----	Bonus Issue	1.91	1.62	3 years	-----

\*None of the Shares has been pledged by our Promoters

\*\* Acquisition price excludes stamp duty

# Average transfer Price

^ The offer for sale by Mr. Ankit Agrawal, Mr. Ashok Kumar Agarwal, ("Selling Shareholders") for 71,000 and 70,000 shares each respectively authorised by their undertaking dated August 08, 2016.

**(i) Details of Acquisition of Shares by Ashok Kumar Agarwal dated June 12, 1995**

S. No.	Date of Transfer	Name of Transferor	No. of Share Transfer	Name of Transferee
1.	12.06.1995	Vandeep Kumar	10	Ashok Kumar Agarwal

**(ii) Details of Transfer of Shares of Ashok Kumar Agarwal dated March 14, 2001**

S. No.	Date of Transfer	Name of Transferor	No. of Share Transfer	Name of Transferee
1.	14.03.2001	Ashok Kumar Agarwal	11000	Vithal Das Agarwal HUF

**(iii) Details of Acquisition of Shares by Ashok Kumar Agarwal dated September 09, 2014**

S. No.	Date of Transfer	Name of Transferor	No. of Share Transfer	Name of Transferee
1.	09.09.2014	Gyan Chand Sanjay Kumar (HUF)	100	Ashok Kumar Agarwal

2.	09.09.2014	Raj Khandelwal	100	Ashok Kumar Agarwal
3.	09.09.2014	Manju Agrawal	100	Ashok Kumar Agarwal
4.	09.09.2014	Arvind Tiwari	100	Ashok Kumar Agarwal
5.	09.09.2014	Gopal das Rajoria	100	Ashok Kumar Agarwal
6.	09.09.2014	Hem Chand Gupta	100	Ashok Kumar Agarwal
7.	09.09.2014	Krishan Murari Agrawal	100	Ashok Kumar Agarwal
8.	09.09.2014	Ram Narayan Gattani	100	Ashok Kumar Agarwal
9.	09.09.2014	Ram Gopal Khandelwal	100	Ashok Kumar Agarwal

## (iv) Details of Acquisition of Shares by Ankit Agrawal dated October 08, 2003

S. No.	Date of Transfer	Name of Transferor	No. of Share Transfer	Name of Transferee
1.	08.10.2003	Suraj Bai	190	Ankit Agrawal

## (v) Details of Acquisition of Shares by Ankit Agrawal dated January 17, 2008

S. No.	Date of Transfer	Name of Transferor	No. of Share Transfer	Name of Transferee
1.	17.01.2008	Vitthal Das Agrawal HUF	7000	Ankit Agrawal

## (vi) Details of Acquisition of Shares by Ankit Agrawal dated September 09, 2014

S. No.	Date of Transfer	Name of Transferor	No. of Share Transfer	Name of Transferee
1.	09.09.2014	Reena Mehta	100	Ankit Agrawal
2.	09.09.2014	Renu Goyal	100	Ankit Agrawal
3.	09.09.2014	Sangeeta Tiwari	100	Ankit Agrawal
4.	09.09.2014	Sushila Devi	100	Ankit Agrawal
5.	09.09.2014	RK Nigotia	100	Ankit Agrawal
6.	09.09.2014	Gulab Chand Jain	100	Ankit Agrawal
7.	09.09.2014	Shashi Jain	100	Ankit Agrawal
8.	09.09.2014	Sita Tambi	100	Ankit Agrawal
9.	09.09.2014	Shanti Chand Sancheti	100	Ankit Agrawal

## (vii) Details of Acquisition of Shares by Ankit Agrawal dated March 25, 2016

S. No.	Date of Transfer	Name of Transferor	No. of Share Transfer	Name of Transferee
1.	25.03.2016	Chandra Bhan Gupta	5000	Ankit Agrawal
2.	25.03.2016	Ashok Kumar Jain	5000	Ankit Agrawal

## (viii) Details of Acquisition of Shares by Neha Agrawal dated March 25, 2016

S. No.	Date of Transfer	Name of Transferor	No. of Share Transfer	Name of Transferee
1.	25.03.2016	Ashok Kumar Jain	3000	Neha Agrawal

9. 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.	Ashok Kumar Agarwal	5,25,000	20.86
2.	Ankit Agrawal	6,40,880	16.52
3.	Neha Agrawal	1,10,000	35.91

## 10. Shareholding of Promoters and Promoters Group

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

S.No	Names	Pre IPO		Post IPO	
		Shares Held	% Shares Held	Shares Held	% Shares Held
	<b>Promoters</b>				
1	Ashok Kumar Agarwal	525000	12.14	455000	8.94
2	Ankit Agrawal	640880	14.82	569880	11.19
3	Neha Agrawal	110000	2.54	110000	2.16
	<b>Sub Total (A)</b>	<b>1275880</b>	<b>29.51</b>	<b>1134880</b>	<b>22.29</b>
	<b>Promoters Group</b>				
4	Vitthal Das Agrawal	63200	1.46	63200	1.24
5	Parwati Bai Agarwal	388920	8.99	302920	5.95
6	Ashok Kumar Agrawal HUF	282840	6.54	212840	4.18
7	Santosh Agrawal	745520	17.24	568520	11.16
8	Vitthal Das Agrawal HUF	657600	15.21	500600	9.83
9	Atika Agarwal	34680	0.80	34680	0.68
10	Ankit Agrawal HUF	104000	2.41	104000	2.04
11	Rajendra Kumar Agarwal	40320	0.93	40320	0.79
	<b>Sub Total (B)</b>	<b>2317080</b>	<b>53.58</b>	<b>1827080</b>	<b>35.87</b>
	<b>GRAND TOTAL (A+B)</b>	<b>3592960</b>	<b>83.09</b>	<b>2961960</b>	<b>58.16</b>

10. Shares acquired/Purchased/ Sold by the Promoter and Promoter Group, Directors and their immediate relative within six months immediately preceding the date of filing of this Prospectus except:

There are no shares acquired/Purchased/ Sold by the Promoter and Promoter Group, Directors and their immediate relative within six months immediately preceding the date of filing of this Prospectus\* The maximum and minimum price at which the aforesaid acquisition was Nil.

11. Details of Promoters' Contribution Locked-in for Three Years

Date of Allotment / Sub-division	Date when made Fully paid up	No. of shares Allotted/Acquired/sub-divided	Face Value	Issue Price/ Acquisition Price	Nature of Allotment	% Pre-Issue paid up capital (in shares)	% Post issue paid up capital (in shares)	Date up to which the specified securities are Lock-In
<b>Mr. Ashok Kumar Agarwal</b>								
March 31, 2014	March 31, 2014	60350	10.00	85.00	Further Allotment	1.39	1.18	3 Years
June 08, 2016	June 08, 2016	393750	10.00	--	Bonus	9.11	7.73	3 Years
<b>SUB TOTAL</b>		<b>454100</b>				<b>10.50</b>	<b>8.91</b>	
<b>Mr. Ankit Agrawal</b>								
January 06, 2010	January 06, 2010	19500	10.00	--	Sub-division of shares from ₹ 100 each to ₹10 each	0.45	0.38	3 Years
March 31, 2014	March 31, 2014	58820	10.00	85.00	Further Allotment	1.36	1.16	3 Years
June 08, 2016	June 08, 2016	480660	10.00	--	Bonus	11.12	9.44	3 Years
<b>SUBTOTAL</b>		<b>558980</b>				<b>12.93</b>	<b>10.98</b>	
<b>Mrs. Neha Agrawal</b>								
March 25, 2016	March 25, 2016	3000	10.00	500.00	Acquisition by Transfer	0.07	0.06	3 Years

June 08, 2016	June 08, 2016	82500	10.00	--	Bonus	1.91	1.62	3 Years
<b>SUBTOTAL</b>		<b>85500</b>				<b>1.98</b>	<b>1.68</b>	
<b>GRAND TOTAL</b>		<b>1098580</b>				<b>25.41</b>	<b>21.57</b>	

# Average acquisition price

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. Ashok Kumar Agarwal**, **Mr. Ankit Agrawal**, and **Mrs. Neha Agrawal** have, by a written undertaking, consented to have 4,54,100, 5,58,980 and 85,500 Equity Shares held by them respectively to be locked in 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 Prospectus with BSE till the date of commencement of lock-in period as stated in the Prospectus. The Equity Shares under the Promoters contribution will constitute 21.57% 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.	Promoters' Minimum Contribution Conditions	Eligibility Status of Equity Shares forming part of Promoter's Contribution
33(1) (a) (i)	Specified securities acquired during the preceding 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	The Minimum Promoter's contribution 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. <b><u>Hence Eligible</u></b>
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. <b><u>Hence Eligible</u></b>
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. <b><u>Hence Eligible.</u></b>
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	The minimum Promoter's contribution does not consist of such Equity Shares. <b><u>Hence Eligible.</u></b>

Reg. No.	Promoters' Minimum Contribution Conditions	Eligibility Status of Equity Shares forming part of Promoter's Contribution
	continuous basis, shall be eligible	
33 (1) (d)	Specified securities pledged with any creditor.	Our Promoter's has not Pledged any shares with any creditors. Accordingly, the minimum Promoter's contribution does not consist of such Equity Shares. <b>Hence Eligible.</b>

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

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 24,57,620 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 Prospectus:

### I - Our Shareholding Pattern:-

Category	Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities ( as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
								Class Equity Shares of Rs.10/- each^	Class eg:	Total								
I	II	III	IV	V	VI	VII = IV+V+VI	VIII	IX				X	XI=VII+X	XII	XIII	XIV		
(A)	Promoter & Promoter Group	11	35,92,960	-	-	35,92,960	83.09	35,92,960	-	35,92,960	83.09	-	83.09	-	-	35,92,960		
(B)	Public	5	7,31,240	-	-	7,31,240	16.91	7,31,240	-	7,31,240	16.91	-	16.91	-	-	717640		
(C)	Non Promoter- Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
(C2)	Shares held by Emp. Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	<b>Total</b>	<b>16</b>	<b>43,24,200</b>	<b>-</b>	<b>-</b>	<b>43,24,200</b>	<b>100.00</b>	<b>43,24,200</b>	<b>-</b>	<b>43,24,200</b>	<b>100.00</b>	<b>-</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>43,10,600</b>		

\*As on date of this prospectus 1 Equity share holds 1 vote.



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

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

S.No.	Category & Name of the Shareholders	PAN	No. of share holders	No. of fully paid up equity shares held	Partly paid-up equity shares held	Nos. of shares underlying Depository Receipts	Total nos. shares held	Shareholding (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) as a % of A+B+C2	Number of Locked in shares		Number of Shares pledged or otherwise		Number of equity shares held in Shares dematerialized form
									No of Voting Rights			Total as a % of Total Voting rights			No.	As a % of total Shares held (b)	No.	As a % of total shares held (b)	
									Class Equity Shares of Rs.10/- each	Class Y	Total								
	<b>I</b>	<b>II</b>	<b>III</b>	<b>IV</b>	<b>V</b>	<b>VI</b>	<b>VII=IV+V+VI</b>	<b>VIII</b>	<b>IX</b>				<b>X</b>	<b>XI = VII+X</b>	<b>XII</b>	<b>XIII</b>	<b>XIV</b>		
(1)	Indian																		
(a)	Individuals/ Hindu undivided Family																		
	Mr. Ashok Kumar Agarwal	ABWPA2851M	1	525000	-	-	525000	12.14	525000	-	525000	12.14	-	12.14	-	-	525000		
	Mr. Ankit	ADNPA3441	1	640880	-	-	640880	14.82	640880	-	640880	14.82	-	14.82	-	-	640880		

	Agrawal	K															
	Mrs. Neha Agrawal	AEPPJ5396H	1	110000	-	-	110000	2.54	110000	-	110000	2.54	-	2.54	-	-	110000
	Mrs. Vitthal Das Agrawal	ABPPA5035R	1	63200	-	-	63200	1.46	63200	-	63200	1.46	-	1.46	-	-	63200
	Mr. Parwati Bai Agarwal	ABHPA3429K	1	388920	-	-	388920	8.99	388920	-	388920	8.99	-	8.99	-	-	388920
	M/s Ashok Kumar Agrawal HUF	AADHA1958 G	1	282840	-	-	282840	6.54	282840	-	282840	6.54	-	6.54	-	-	282840
	Mrs. Santosh Agarwal	AAYPEA5465B	1	745520	-	-	745520	17.24	745520	-	745520	17.24	-	17.24	-	-	745520
	M/s Vitthal Das Agarwal HUF	AAAHV6514 N	1	657600	-	-	657600	15.21	657600	-	657600	15.21	-	15.21	-	-	657600
	Mrs. Atika Agarwal	AGDPA1831 A	1	34680	-	-	34680	0.81	34680	-	34680	0.80	-	0.80	-	-	34680
	Mr. Rajendra Agarwal	ABWPA2763 K	1	40320	-	-	40320	0.93	40320	-	40320	0.93	-	0.93	-	-	40320
	M/s Ankit Agrawal HUF	AAJHA6838H	1	104000	-	-	104000	2.41	104000	-	104000	2.41	-	2.41	-	-	104000
(b)	Central Government/ State Government(s)	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Financial Institutions/ Banks	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Any Other Body Corporate	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (A)(1)</b>			<b>3592960</b>	-	-	<b>3592960</b>	<b>83.09</b>	<b>3592960</b>	-	<b>3592960</b>	<b>83.09</b>	-	<b>83.09</b>	-	-	<b>3592960</b>
(2)	Foreign	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Individuals (Non- Resident	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	Individuals/ Foreign Individuals)																	
(b)	Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (A)(2)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	<b>11</b>		<b>3592960</b>	-	-	<b>3592960</b>	<b>83.09</b>	<b>3592960</b>	-	<b>3592960</b>	<b>83.09</b>	-	<b>83.09</b>	-	-	-	3592960

\*As on date of this prospectus 1 Equity share holds 1 vote.

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

S.No.	Category & Name of the Shareholders	PAN	No. of share holders	No. of fully paid up equity shares held	Partly paid-up equity shares held	Nos. of shares underlying Depository Receipts	Total nos. shares held	Share holding % (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			No. of Shares Underlying Outstanding convertible securities (including Warrants)	Total Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in Share dematerialized form	
									No of Voting Rights					Total as a % of Total Voting rights	No. (a)	As a % of total shares held (b)	No. (not applicable) (a)		As a % of total shares held (not applicable)(b)
									Class Equity Shares of Rs.10/- each	Class Y	Total								

	I	II	III	IV	V	VI	VII=IV +V+VI	VIII	IX				X	XI= VII+ X	XII	XIII	XIV
<b>(1) Institutions</b>																	
(a) Mutual Funds	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b) Venture Capital Funds	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c) Alternate Investment Funds	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d) Foreign Venture Capital Investors	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e) Foreign Portfolio Investors	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f) Financial Institutions/ Banks	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(g) Insurance Companies	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(h) Provident Funds/ Pension Funds	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i) Any Other (specify)	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Sub-Total (B)(1)</b>	-	<b>0</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>(2) Central Government/ State Government(s)/ President of India</b>																	
	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Sub-Total (B)(2)</b>	-	<b>0</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>(3) Non-institutions</b>																	
(a) Individuals	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs.																	
ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	-	3	167520	-	-	167520	3.87	167520	-	167520	3.87	-	3.87	-	-	-	167520
(b) NBFCs registered with RBI	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

(c)	Employee Trusts	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Overseas Depositories (holding DRs) (balancing figure)	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Argent Leasing & Finance Pvt. Limited	AAAC A5815G	1	550120	-	-	550120	12.72	550120	-	550120	12.72	-	12.72	-	-	550120
	H J Associates LLP	AAAC H0687S	1	13600	-	-	13600	0.31	13600	-	13600	0.31	-	0.31	-	-	-
	<b>Sub-Total (B)(3)</b>	-	<b>5</b>	<b>731240</b>	-	-	<b>731240</b>	<b>16.91</b>	<b>731240</b>	-	<b>731240</b>	<b>16.91</b>	-	<b>16.91</b>	-	-	<b>717640</b>
	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)</b>	-	<b>5</b>	<b>731240</b>	-	-	<b>731240</b>	<b>16.91</b>	<b>731240</b>	-	<b>731240</b>	<b>16.91</b>	-	<b>16.91</b>	-	-	<b>717640</b>

**IV - Shareholding pattern of the Non Promoter- Non Public shareholder**

S.No.	Category & Name of the Shareholders	PAN	No. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	Nos. of shares underlying Depository Receipts	Total nos. shares held	Shareholding (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			No. of Shares Underlying Outstanding convertible securities (including Warrants)	Total Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in Share dematerialized form (Not applicable)	
									No of Voting Rights					Total as a % of Total Voting rights	No.	As a % of total Shares held	No. (not applicable)		As a % of total shares held (not applicable)
									Class Equity Shares of Rs.10/- each	Class Y	Total								
	I	II	III	IV	V	VI	VII=IV+V+VI	VIII	IX			X	XI= VII+ X	XII	XIII		XIV		
(1)	Custodian/DR Holder																		
(a)	Name of DR Holder (if available)	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	<b>Sub Total (c) (1)</b>	-	<b>0</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub Total (C ) (2)</b>	-	<b>0</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total Non- Promoter Non-Public shareholding (C )= (C )(1)+ (C ) (2)</b>	-	<b>0</b>	-	-	-	-	-	-	-	-	-	-	-	-	-

*We have received ISIN – INE655V01019 from CDSL and NSDL. As on date, entire holding of the Promoter and Promoter Group members are held in Demat form.. 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 BSE before commencement of trading of such Equity Shares.*

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

As on the date of the Prospectus, our Company has 16 (Sixteen) shareholders.

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

S.No.	Names	Shares Held (Face Value of Rs. 10 each)	% Pre Issue paid up Capital (In Shares)
1.	Mrs. Santosh Agarwal	745520	17.24
2.	M/s Vitthal Das Agarwal HUF	657600	15.21
3.	Mr. Ankit Agrawal	640880	14.82
4.	Argent leasing and Finance Pvt. Ltd.	550120	12.72
5.	Mr. Ashok Kumar Agarwal	525000	12.14
6.	Mrs. Parwati Bai Agarwal	388920	8.99
7.	M/s Ashok Kumar Agrawal HUF.	282840	6.54
8.	M/s I.P. Agarwal & Sons HUF	121000	2.80
9.	Mrs. Neha Agrawal	110000	2.54
10.	M/s Ankit Agrawal HUF	104000	2.41
	<b>Total</b>	<b>4125880</b>	<b>95.41</b>

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

S. No.	Names	Shares Held ( Face Value of Rs. 10/- each)	% Pre Issue paid up Capital
1.	Mrs. Santosh Agarwal	745520	17.24
2.	M/s Vitthal Das Agarwal HUF	657600	15.21
3.	Mr. Ankit Agrawal	640880	14.82
4.	Argent leasing and Finance Pvt. Ltd.	550120	12.72
5.	Mr. Ashok Kumar Agarwal	5,25,000	12.14
6.	Mrs. Parwati Bai Agarwal	388920	8.99
7.	M/s Ashok Kumar Agrawal HUF.	282840	6.54
8.	M/s I.P. Agarwal & Sons HUF	121000	2.80
9.	Mrs. Neha Agrawal	110000	2.54
10.	M/s Ankit Agrawal HUF	104000	2.41
	<b>Total</b>	<b>4125880</b>	<b>95.41</b>

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

S. No.	Names	Shares Held ( Face Value of Rs. 10/- each)	% of Paid Up Equity Shares as on date 2 years prior to the date of filing of the Prospectus*
1.	Mrs. Santosh Agarwal	176580	16.33
2.	M/s Vitthal Das Agarwal HUF	157000	14.52
3.	Mr. Ankit Agrawal	149320	13.81
4.	Argent leasing and Finance Pvt. Ltd.	137530	12.72
5.	Mr. Ashok Kumar Agarwal	130350	12.06

6.	Mrs. Parwati Bai Agarwal	86780	8.03
7.	M/s Ashok Kumar Agrawal HUF.	70710	6.54
8.	M/s I.P. Agarwal & Sons HUF	27050	2.50
9.	Mrs. Neha Agrawal	24500	2.27
10	M/s Ankit Agrawal HUF	26000	2.41
	<b>Total</b>	<b>1072600</b>	<b>91.39</b>

\*Details of shares held on March 31, 2014 and Percentage held has been calculated based on the paid up capital of our Company as on March 31, 2014.

14. Except as provided below, none of our public shareholders are holding more than 1% of the pre-Issue share capital of our Company.

S. No.	Name of Shareholder	Shares held (Face Value of ₹)	% Shares held
1.	Argent leasing & Finance Pvt. Ltd.	5501200	12.72

15. Except as provided below, there has been no subscription to or sale or purchase of the securities of our Company within three years preceding the date of filing of this 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.

S. No.	Name of Shareholder	Date of Transaction	Promoter/ Promoter Group/ Director	Number of Shares Subscribed to/ Acquired	Number of Shares sold	Subscribed/ Acquired/ Transferred
1.	Mr. Ashok Kumar Agarwal	March 31, 2014	Promoter & Chairman cum Managing Director	91290	-	Subscribed
		September 09, 2014		900	-	Acquisition
		June 08, 2016		393750	-	Subscribed (Bonus)
2.	Mrs. Santosh Agarwal	March 31, 2014	Promoter Group	70580	-	Subscribed
		September 09, 2014		800	-	Acquisition
		March 25, 2016		9000	-	Acquisition
		June 08, 2016		559140	-	Subscribed (Bonus)
3.	Vitthal Das Agrawal	March 25, 2016	Promoter Group	2700	-	Acquisition
		June 08, 2016		47400	-	Subscribed (Bonus)
4.	Parwati Bai Agarwal	March 31, 2014	Promoter Group	3880	-	Subscribed
		September 09, 2014		10450	-	Acquisition
		June 08, 2016		291690	-	Subscribed (Bonus)
5.	Ashok Kumar Agrawal HUF	March 31, 2014	Promoter Group	14410	-	Subscribed
		June 08, 2016		212130	-	Subscribed (Bonus)
6.	Ankit Agrawal HUF	March 31, 2014	Promoter Group	2000	-	Subscribed
		June 08, 2016		78000	-	Subscribed (Bonus)



7.	Neha Agrawal	March 25, 2016	Promoter & Executive Director	3000	-	Acquisition
		June 08, 2016		82500	-	Subscribed (Bonus)
8.	Vitthal Das Agarwal HUF	March 25, 2016	Promoter Group	7400	-	Acquisition
		June 08, 2016		493200	-	Subscribed (Bonus)
9.	Ankit Agrawal	March 31, 2014	Promoter	58820	-	Subscribed
		September 09, 2014		900	-	Acquisition
		March 25, 2016		10000	-	Acquisition
		June 08, 2016		480660	-	Subscribed (Bonus)

16. None of our Directors or Key Managerial Personnel hold any Equity Shares other than as set out below:

S. No.	Name	Designation	No. of Equity Shares held
1.	Mr. Ashok Kumar Agarwal	Chairman Cum Managing Director	525000
2.	Mr. Ankit Agrawal	Whole Time Director	640880
3.	Mrs. Neha Agrawal	Executive Director	110000

17. 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 Prospectus.

18. Neither, we nor our Promoters, Directors and the LM 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.

19. As on the date of filing of this 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.

20. As on the date of this Prospectus, the entire Issued Share, Subscribed and Paid-up Share Capital of our Company is fully paid up.

21. Our Company has not raised any bridge loan against the proceeds of the Issue.

22. 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

23. As on the date of this Prospectus, none of the shares held by our Promoters / Promoters Group are subject to any pledge.

24. The 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 Prospectus.

25. 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 Prospectus until the Equity Shares offered have been listed or application money unblocked on account of failure of Issue.

26. 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.
27. None of our Equity Shares have been issued out of revaluation reserve created out of revaluation of assets.
28. An over-subscription to the extent of 5% 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 5% 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.
29. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the LM and Designated Stock Exchange i.e. BSE. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.
30. In case of over-subscription in all categories the allocation in the issue shall be as per the requirements of Regulation 43 (4) of SEBI (ICDR) Regulations, 2009 and its amendments from time to time.
31. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
32. 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.
33. At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
34. Our Company shall comply with such disclosure and accounting norms as may be specified by the stock exchange, SEBI and other regulatory authorities from time to time.
35. As on the date of this 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.
36. Except as disclosed in this Prospectus, our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation to the date of this Prospectus.
37. 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.

38. We shall ensure that transactions in Equity Shares by the Promoters and members of the Promoter Group, if any, between the date of registering this Prospectus with the RoC and the Issue Closing Date are reported to the Stock Exchanges within 24 hours of such transactions being completed. The Selling Shareholders shall not transfer their Equity Shares during the period commencing from submission of the Prospectus with Stock Exchange until the final approval on Basis of Allotment has been obtained from the Stock Exchange for the Equity Shares Allotted/ to be Allotted pursuant to the Issue except for transfer the Equity Shares held by them to demat escrow account as mutually agreed between our Company, Selling Shareholder and the Lead Manager.
39. There are no Equity Shares against which depository receipts have been issued.
40. Other than the Equity Shares, there is no other class of securities issued by our Company.
41. We have 16 (Sixteen) shareholders as on the date of filing of the Prospectus.
42. There are no safety net arrangements for this public issue.
43. As per RBI regulations, OCBs are not allowed to participate in this issue.
44. Except for the Offer for Sale of Equity Shares offered by them, our Promoters and Promoter Group will not participate in this Issue.
45. This Issue is being made through Fixed Price method.
46. The details of equity shares being offered for sale are as follows:

<b>S.No.</b>	<b>Name of Selling Shareholders</b>	<b>Numbers of Shares</b>
<b>1.</b>	Mr. Ankit Agrawal	71,000
<b>2.</b>	Mr. Ashok Kumar Agarwal	70,000
<b>3.</b>	Mrs. Santosh Agarwal	1,77,000
<b>4.</b>	Mrs. Parwati Bai Agarwal	86,000
<b>5.</b>	M/s Vitthal Das Agarwal HUF	1,57,000
<b>6.</b>	M/s Ashok Kumar Agarwal HUF	70,000
<b>7.</b>	Argent Leasing & Finance Private Limited	1,37,000
<b>Total</b>		<b>7,68,000</b>

### OBJECTS OF THE ISSUE

The Issue includes a fresh Issue of 7,68,000 Equity Shares and Offer for sale by the Selling Shareholder of 7,68,000 Equity Shares of our Company at an Issue Price of 27.00/- per Equity Share.

#### **The Offer for Sale**

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

#### **The Fresh Issue**

The Net Proceeds from the Fresh Issue will be utilised towards the following objects:

1. To Meet Working Capital Requirement
2. General Corporate Purpose
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 BSE. It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company.

Our Company is primarily in the business of manufacturing meter/distribution boxes and related electrical accessories. The main objects clause of our Memorandum enables our Company to undertake its existing activities and these activities which have been carried out until now by our Company are valid in terms of the objects clause of our Memorandum of Association.

The details of the Net Proceeds are set forth in the following table:

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

The following table summarizes the requirement of funds:

S.No	Particulars	Amt (₹ in Lacs)
1.	To Meet Working Capital Requirement	155.00
2.	General Corporate Purpose	39.36
3.	Public Issue Expenses	13.00*
	<b>Gross Issue Proceeds</b>	207.36
	<b>Less: Issue Expenses</b>	13.00
	<b>Net Issue Proceeds</b>	194.36

*\*Issue expenses have been shared between our company and the Selling Shareholders.*

**Utilization of Net Issue Proceeds:** The Net Issue Proceeds will be utilized for following purpose:

S.No	Particulars	Amt (₹ in Lacs)
1.	To Meet Working Capital Requirement	155.00
2.	General Corporate Purpose	39.36
	<b>Total</b>	194.36

**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	194.36

<b>Total</b>	194.36
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*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 Lead Manager, 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.

We further confirm that no part proceed of the Issue shall be utilised for repayment of any Part of unsecured loan outstanding as on date of Prospectus

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 15 of the Prospectus.

#### **Details of Use of Net Proceeds:**

##### **1. To Meet Working Capital Requirement**

Our business is working capital intensive. We are required to provide sufficient credit period to our customers. Considering the future growth, the total working capital needs of our Company, as assessed based on the internal workings of our Company is expected to reach ₹ 2284.66 Lakhs for FY 2017-18. The Company has sanctioned the working capital Limit from Federal Bank Limited aggregating to ₹ 900 lakhs and will meet the requirement to the extent of ₹ 155.00 Lakhs from the Net Proceeds of the Issue and balance from borrowings at an appropriate time as per the requirement.

Details of Estimation of Working Capital requirement are as follows:

(₹ in Lacs)

S. No.	Particulars	Actual (Restated)	Actual (Restated)	Estimated	Projected
		31-March-15	31-March-16	31-March-17	31-March-18
<b>I</b>	<b>Current Assets</b>				
	Inventories	630.92	499.09	968.80	1007.14
	Trade receivables	1049.46	1617.59	1877.77	2050.52
	Cash and cash equivalents	237.70	236.81	206.24	361.00
	Short Term Loans and Advances	85.43	144.11	90.00	4.00
	Other Current Assets	288.02	112.73	127.00	335.00

S. No.	Particulars	Actual (Restated)	Actual (Restated)	Estimated	Projected
		31-March-15	31-March-16	31-March-17	31-March-18
	<b>Total(A)</b>	<b>2291.53</b>	<b>2610.33</b>	<b>3269.81</b>	<b>3757.66</b>
II	<b>Current Liabilities</b>				
	Accrued expenses	2.71	0.11	1.00	1.00
	Security deposits and Adv from customers	10.91	11.97	12.00	15.00
	Trade payables	683.75	887.06	1115.00	1023.00
	Statutory Liabilities	44.18	10.63	13.00	15.00
	Other Current Liabilities	542.60	253.91	300.00	419.00
	<b>Total (B)</b>	<b>1284.15</b>	<b>1163.68</b>	<b>1441.00</b>	<b>1473.00</b>
III	<b>Total Working Capital Gap (A-B)</b>	<b>1007.38</b>	<b>1446.65</b>	<b>1828.81</b>	<b>2284.66</b>
IV	<b>Funding Pattern</b>				
	Short term borrowing from Bank	830.96	905.20	900.00	900.00
	Internal Accruals	176.42	541.45	928.81	1229.66
	<b>IPO Proceeds</b>				155.00

**Justification:**

S. No.	Particulars
<b>Debtors</b>	We expect Debtors Holding days to be at 90 days for FY 2017-18 based on increased sales and better credit Management policies ensuring timely recovery of dues.
<b>Creditors</b>	We expect Creditors payments days to be 133 days due to increase in purchase of raw material and reduction of credit period.
<b>Inventories</b>	We expect Inventory level of Finished Goods to maintain at 103 Days for FY 2017-18 due to our Production cycle and maintaining required level of inventory

**2. General Corporate Purposes:-**

We propose to deploy ₹ 39.36 lakhs, aggregating to 18.98% of the Proceeds of the Fresh Issue towards general corporate purposes, including but not restricted to for our working capital requirements, bank deposits, deposits for renting or otherwise acquiring business premises, margin money, acquiring business assets, to renovate and refurbish certain of our existing Company owned/leased and operated facilities or premises, starting new products or services, obtaining new or enabling accreditations and licenses, investment in business venture, strategic alignment, strategic initiatives as per the objects of the Company, expansion into new geographies, investment in securities, brand building exercises, strengthening of our marketing capabilities, implementing enterprise resource planning tools and methodology, in our operations and other project related investments and commitments and execution capabilities in order to strengthen our operations.

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that the amount for general corporate purposes, as mentioned in this Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

**3. Public 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 ₹ 23.00 Lacs which is 5.55 % 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:

Activity	(Rs .in Lacs)
Payment to Merchant Banker including, underwriting and selling commissions, brokerages, payment to other intermediaries such as Legal Advisors, Bankers etc, advertisement expenses and other out of pocket expenses	16.00
Printing and Stationery and expenses relating to Registrar	4.00
Regulatory fees and other Statutory expenses	3.00
<b>Total Estimated Issue Expenses</b>	<b>23.00</b>

\* Included commission/Processing fees for SCSB's, Brokerage and Selling Commission for Registrar Broker, RTA's and CDP's

### **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. No.	Particulars	Amount to be deployed and utilized in F.Y. 17-18
1.	To Meet Working Capital Requirement	155.00
2.	General Corporate Purpose	39.36
	<b>Total</b>	<b>194.36</b>

### **Funds Deployed and Source of Funds Deployed:**

Our Statutory Auditors Saraswat & Company, Chartered Accountants vide their certificate dated September 12, 2016 have confirmed that as on date of certificate the following funds have been deployed for the proposed object of the Issue:

Particulars	Amt (₹ in Lacs)
Issue Expenses	3.21
<b>Total</b>	<b>3.21</b>

### **Sources of Financing for the Funds Deployed:**

Our Statutory Auditors Saraswat & Company, Chartered Accountants vide their certificate dated September 12, 2016 have confirmed that as on date of certificate the following funds have been deployed for the proposed object of the Issue:

Particulars	Amt (₹ in Lacs)
Internal Accruals	3.21
<b>Total</b>	<b>3.21</b>

### **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 this 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 this 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**

Except for the proceeds from the Offer for Sale by Ashok Kumar Agarwal, Ankit Agrawal, Parwati Bai Agarwal, Santosh Agarwal, M/s Vitthal Das Agrawal HUF, M/s Ashok Kumar Agarwal HUF and Argent Leasing and Finance Private Limited 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 Prospectus has been authorized by the Board of Directors pursuant to a resolution dated May 31, 2016 and by the shareholders pursuant to a special resolution in an Extra Ordinary General Meeting held on June 08, 2016 under section 62 (1) (c) of the Companies Act, 2013.

#### Offer for Sale

The Offer for Sale has been authorised by a resolution of the Board of Directors of the Company passed at their meeting held on August 10, 2016. The Selling Shareholders have authorised the sale of their Equity Shares pursuant to the Offer as set out below:-

S.No.	Name of Selling Shareholders	Date of Authorization Letter/ Board Resolution	Numbers of Shares
1.	Mr. Ankit Agrawal	August 08, 2016	71,000
2.	Mr. Ashok Kumar Agarwal	August 08, 2016	70,000
3.	Mrs. Santosh Agarwal	August 08, 2016	1,77,000
4.	Mrs. Parwati Bai Agarwal	August 08, 2016	86,000
5.	Vitthal Das Agarwal HUF	August 08, 2016	1,57,000
6.	M/s Ashok Kumar Agarwal HUF	August 08, 2016	70,000
7.	M/s Argent Leasing & Finance Private Limited	August 08, 2016	1,37,000
<b>Total</b>			<b>7,68,000</b>

### Terms of the Issue

The Equity Shares, now being offered, are subject to the terms and conditions of the Draft Prospectus, Prospectus, Application form, Confirmation of Allocation Note (“CAN”), the Memorandum and Articles of Association of our Company, the guidelines for listing of securities issued by the Government of India and SEBI (ICDR) Regulations, 2009, the Depositories Act, 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.

<b>Face Value</b>	Each Equity Share shall have the face value of ₹ 10.00 each.
<b>Issue Price</b>	Each Equity Share is being offered at a price of ₹ 27.00 each and is 2.7 times of Face Value.
<b>Market Lot and Trading Lot</b>	The Market lot and Trading lot for the Equity Share is 4000 and the multiple of 4000; subject to a minimum allotment of 4000 Equity Shares to the successful applicants.
<b>Terms of Payment</b>	100% of the issue price of ₹ 27.00 each shall be payable on Application. For more details please refer “ <i>Issue Procedure</i> ” beginning to page 228 of this Prospectus.
<b>Ranking of the Equity Shares</b>	The Equity Shares shall be subject to the Memorandum and Articles of Association of the Company and shall rank 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 “ <i>Main Provisions of Articles of Association</i> ” on page 270 of this 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 the 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 unblocking 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 219 of this 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 page 15, 92 & 146 respectively of the 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 LM 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 ₹ 27.00 which is 2.7 times of the face value.

### QUALITATIVE FACTORS

- Large & Diverse Product Portfolio:-
- Established relationship with institutional customers
- Quality Assurance and Control
- Integrated manufacturing facility
- Experienced Promoter and skilled workforce

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled “**Our Business**” beginning on page 92 of the Prospectus.

### QUANTITATIVE FACTORS

Information presented in this section is derived from our Company’s restated financial statements prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

#### 1. Basic & Diluted Earnings per share (EPS), as adjusted:

S. No	Period	Basic & Diluted (₹)	Weights
1.	FY 2013-14	0.52	1
2.	FY 2014-15	0.55	2
3.	FY 2015-16	1.83	3
	<b>Weighted Average</b>	<b>1.18</b>	
	For the Stub Period 30 September 2016	<b>1.98</b>	

\* Not annualized

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.

#### 2. Price Earning (P/E) Ratio in relation to the Issue Price of ₹ 27.00 :

S. No	Particulars	P/E
1	P/E ratio based on the Basic & Diluted EPS, as restated for FY 2015-16	14.75
2	P/E ratio based on the Weighted Average EPS, as restated for FY 2015-16	22.88

**Peer Group P/ E\***

1	Highest (JSL Industries Limited)	32.37
2	Lowest (Marsons Limited)	7.59
	<b>Industry Composite (Electric Equipment, Switchgears)</b>	<b>22.95</b>

\*Source: ACEequity dated February 16, 2017

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

S. No	Period	RONW (%)	Weights
	FY 2013-14	2.21	1
	FY 2014-15	2.55	2
	FY 2015-16	7.82	3
	<b>Weighted Average</b>	<b>5.13</b>	

\*Restated Profit after tax/Net Worth

# Not annualized

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

(a) Based on Basic and Diluted EPS, as restated of FY 2015-16 of ₹ 1.83 at the Issue Price of ₹ 27.00 :

- 7.50 % on the restated financial statements.

(b) Based on Weighted Average Basic and Diluted EPS, as adjusted of ₹ 1.18 at the Issue Price of ₹ 27.00 :

- 4.84 % on the restated financial statements.

**5. Net Asset Value (NAV) per Equity Share :**

Sr. No.	As at	NAV Standalone (₹)
1.	March 31, 2014	84.12
2.	March 31, 2015	86.11
3.	March 31, 2016	93.41
4.	NAV after Issue	24.38
	<b>Issue Price</b>	<b>27.00</b>

**6. Comparison of Accounting Ratios with Industry Peers<sup>1</sup>**

S. No.	Name of Company	Results Type	Face Value (₹)	EPS (₹)	PE	RoNW (%)	NAV per Share (₹)
1.	Veto Switchgears and Cables Limited	Standalone	10.00	7.65	16.98	10.32	47.30
2.	Star Delta Transformers Limited	Standalone	10.00	5.27	20.26	9.19	122.32
3.	RMC Switchgears Limited	Standalone	10.00	1.83	14.75	7.82	93.41

The figures of RMC Switchgears Limited are based on restated financial statements for the year ended March 31, 2016.

The figures of peer Companies are based on standalone audited results for the respective year ended March 31, 2016.

<sup>1</sup> Source: ACEequity dated February 16, 2017

<sup>2</sup> Basic & Diluted Earnings per share (EPS), as adjusted based on restated financial statements for the year ended March 31, 2016.

<sup>3</sup> Price Earning (P/E) Ratio in relation to the Issue Price of ₹27.00

*The peer group identified is broadly based on the products range that our Company is engaged into, but our scale of operations is not comparable to them. Also, we believe that considering the products range of Our Company, the peers are not strictly comparable.*

7. The face value of our shares is ₹ 10.00 per share and the Issue Price is of ₹ 27.00 per share is 2.7 times of the face value.
8. Our Company and Selling Shareholders in consultation with the Lead Manager believe that the Issue Price of ₹ 27.00 per share for the Public Issue is justified in view of the above parameters. The investors may also want to peruse the risk factors and financials of the Company including important profitability and return ratios, as set out in the Auditors' Report in the offer Document to have more informed view about the investment.

Investors should read the above mentioned information along with section titled "**Our Business**", "**Risk Factors**" and "**Financial Information of the Company**" beginning on page 92, 15 & 146 respectively including important profitability and return ratios, as set out in "**Annexure Q**" to the Financial Information of the Company on page 170 of the Prospectus to have a more informed view.

**STATEMENT OF TAX BENEFITS**

To,  
**The Board of Directors,**  
**RMC Switch Gears Limited,**  
7 K.M. from Chaksu, Khotkawda Road,  
Village Badodiya, Tehsil Chaksu, Tonk Road,  
Jaipur-303901, Rajasthan, India

Dear Sir,

**Sub: Statement of Possible Tax Benefits ('The Statement') available to RMC Switch Gears Limited ("The Company") and its shareholders prepared in accordance with the requirement in SCHEDULE VIII-CLAUSE (VII) (L) of Securities and Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations 2009, as amended ("The Regulation")**

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

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

We do not express any opinion or provide any assurance as to whether: a) The Company or its Equity Shareholders will continue to obtain these benefits in future; or b) The conditions prescribed for availing the benefits have been / would be met with. The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein. This report including enclosed annexure are intended solely for your information and for the inclusion in the Draft Prospectus/ Prospectus or any other issue related material in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

**For M/s Saraswat & Company**  
**Chartered Accountants**  
**Firm Registration No. 004846C**

**CA Pravin Saraswat**  
**Partner**  
**Membership No. 072679**

**Date: June 29, 2016**  
**Place: Jaipur**

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

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

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

<b>A. SPECIAL TAX BENEFITS TO THE COMPANY</b>	NIL
<b>B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER</b>	NIL

Note:

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

## 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 or 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 economic Outlook**

Global growth, currently estimated at 3.1 percent in 2015, is projected at 3.4 percent in 2016 and 3.6 percent in 2017. The pickup in global activity is projected to be more gradual than in the October 2015 World Economic Outlook (WEO), especially in emerging market and developing economies.

In advanced economies, a modest and uneven recovery is expected to continue, with a gradual further narrowing of output gaps. The picture for emerging market and developing economies is diverse but in many cases challenging. The slowdown and rebalancing of the Chinese economy, lower commodity prices, and strains in some large emerging market economies will continue to weigh on growth prospects in 2016–17. The projected pickup in growth in the next two years—despite the ongoing slowdown in China—primarily reflects forecasts of a gradual improvement of growth rates in countries currently in economic distress, notably Brazil, Russia, and some countries in the Middle East, though even this projected partial recovery could be frustrated by new economic or political shocks.

Risks to the global outlook remain tilted to the downside and relate to ongoing adjustments in the global economy: a generalized slowdown in emerging market economies, China’s rebalancing, lower commodity prices, and the gradual exit from extraordinarily accommodative monetary conditions in the United States. If these key challenges are not successfully managed, global growth could be derailed.

#### **Recent Developments**

In 2015, global economic activity remained subdued. Growth in emerging market and developing economies—while still accounting for over 70 percent of global growth—declined for the fifth consecutive year, while a modest recovery continued in advanced economies. Three key transitions continue to influence the global outlook: (1) the gradual slowdown and rebalancing of economic activity in China away from investment and manufacturing toward consumption and services, (2) lower prices for energy and other commodities, and (3) a gradual tightening in monetary policy in the United States in the context of a resilient U.S. recovery as several other major advanced economy central banks continue to ease monetary policy.

Overall growth in China is evolving broadly as envisaged, but with a faster-than-expected slowdown in imports and exports, in part reflecting weaker investment and manufacturing activity. These developments, together with market concerns about the future performance of the Chinese economy, are having spillovers to other economies through trade channels and weaker commodity prices, as well as through diminishing confidence and increasing volatility in financial markets. Manufacturing activity and trade remain weak globally, reflecting not only developments in China, but also subdued global demand and investment more broadly—notably a decline in investment in extractive industries. In addition, the dramatic decline in imports in a number of emerging market and developing economies in economic distress is also weighing heavily on global trade.

Oil prices have declined markedly since September 2015, reflecting expectations of sustained increases in production by Organization of the Petroleum Exporting Countries (OPEC) members amid continued global oil production in excess of oil consumption.<sup>1</sup> Futures markets are currently suggesting only modest increases in prices in 2016 and 2017. Prices of other commodities, especially metals, have fallen as well.



Lower oil prices strain the fiscal positions of fuel exporters and weigh on their growth prospects, while supporting household demand and lowering business energy costs in importers, especially in advanced economies, where price declines are fully passed on to end users. Though a decline in oil prices driven by higher oil supply should support global demand given a higher propensity to spend in oil importers relative to oil exporters, in current circumstances several factors have dampened the positive impact of lower oil prices. First and foremost, financial strains in many oil exporters reduce their ability to smooth the shock, entailing a sizable reduction in their domestic demand. The oil price decline has had a notable impact on investment in oil and gas extraction, also subtracting from global aggregate demand. Finally, the pickup in consumption in oil importers has so far been somewhat weaker than evidence from past episodes of oil price declines would have suggested, possibly reflecting continued deleveraging in some of these economies. Limited pass-through of price declines to consumers may also have been a factor in several emerging market and developing economies.

Monetary easing in the euro area and Japan is proceeding broadly as previously envisaged, while in December 2015 the U.S. Federal Reserve lifted the federal funds rate from the zero lower bound. Overall, financial conditions within advanced economies remain very accommodative. Prospects of a gradual increase in policy interest rates in the United States as well as bouts of financial volatility amid concerns about emerging market growth prospects have contributed to tighter external financial conditions, declining capital flows, and further currency depreciations in many emerging market economies.

Headline inflation has broadly moved sideways in most countries, but with renewed declines in commodity prices and weakness in global manufacturing weighing on traded goods' prices it is likely to soften again. Core inflation rates remain well below inflation objectives in advanced economies. Mixed inflation developments in emerging market economies reflect the conflicting implications of weak domestic demand and lower commodity prices versus marked currency depreciations over the past year.

### **Advanced Economies**

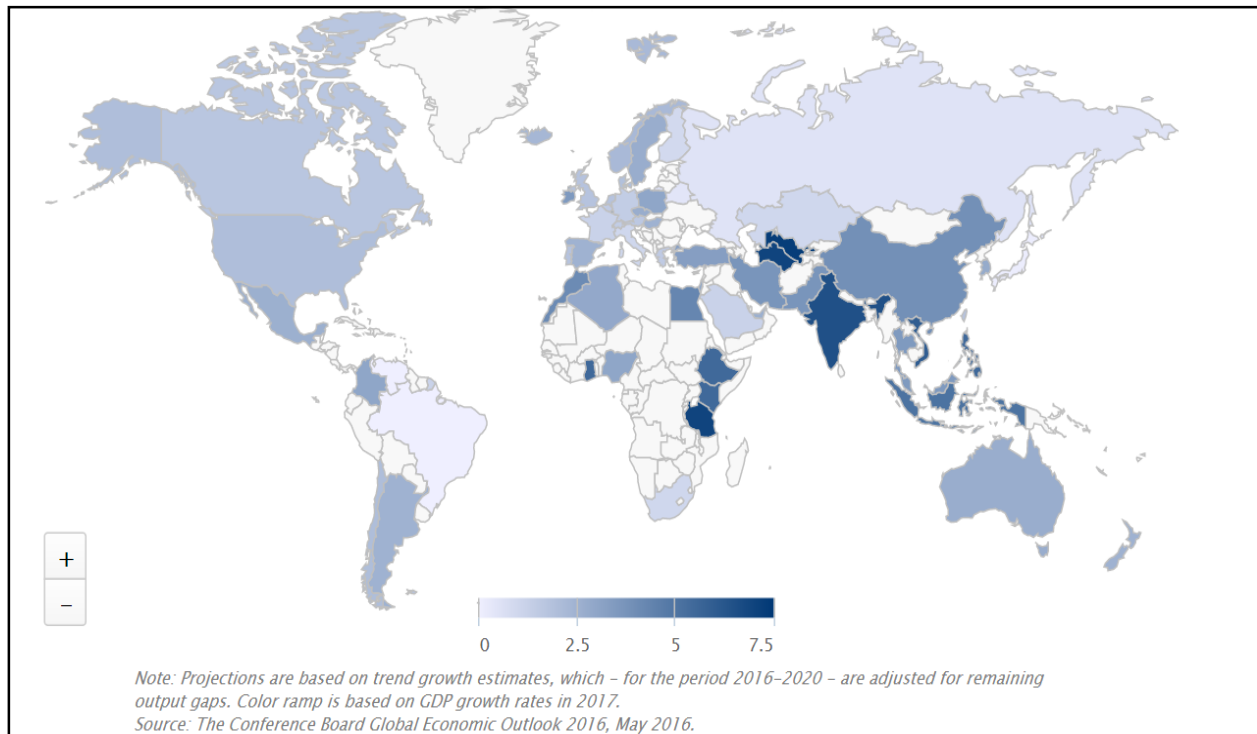
Growth in advanced economies is projected to rise by 0.2 percentage points in 2016 to 2.1 percent, and hold steady in 2017. Overall activity remains resilient in the United States, supported by still-easy financial conditions and strengthening housing and labor markets, but with dollar strength weighing on manufacturing activity and lower oil prices curtailing investment in mining structures and equipment. In the euro area, stronger private consumption supported by lower oil prices and easy financial conditions is outweighing a weakening in net exports. Growth in Japan is also expected to firm in 2016, on the back of fiscal support, lower oil prices, accommodative financial conditions, and rising incomes.

### **Emerging Market and Developing Economies**

- Growth in emerging market and developing economies is projected to increase from 4 percent in 2015—the lowest since the 2008–09 financial crisis—to 4.3 and 4.7 percent in 2016 and 2017, respectively.
- Growth in China is expected to slow to 6.3 percent in 2016 and 6.0 percent in 2017, primarily reflecting weaker investment growth as the economy continues to rebalance. India and the rest of emerging Asia are generally projected to continue growing at a robust pace, although with some countries facing strong headwinds from China's economic rebalancing and global manufacturing weakness.
- Aggregate GDP in Latin America and the Caribbean is now projected to contract in 2016 as well, albeit at a smaller rate than in 2015, despite positive growth in most countries in the region. This reflects the recession in Brazil and other countries in economic distress.
- Higher growth is projected for the Middle East, but lower oil prices, and in some cases geopolitical tensions and domestic strife, continue to weigh on the outlook.
- Emerging Europe is projected to continue growing at a broadly steady pace, albeit with some slowing in 2016. Russia, which continues to adjust to low oil prices and Western sanctions, is expected to remain in recession in 2016. Other economies of the Commonwealth of Independent States are caught in the slipstream of Russia's recession and geopolitical tensions, and in some cases affected by domestic structural weaknesses and low oil prices; they are projected to expand only modestly in 2016 but gather speed in 2017.
- Most countries in sub-Saharan Africa will see a gradual pickup in growth, but with lower commodity prices, to rates that are lower than those seen over the past decade. This mainly reflects the continued adjustment to lower

commodity prices and higher borrowing costs, which are weighing heavily on some of the region's largest economies (Angola, Nigeria, and South Africa) as well as a number of smaller commodity exporters.

*(Source:-<http://www.imf.org/external/pubs/ft/weo/2016/update/01/>)*



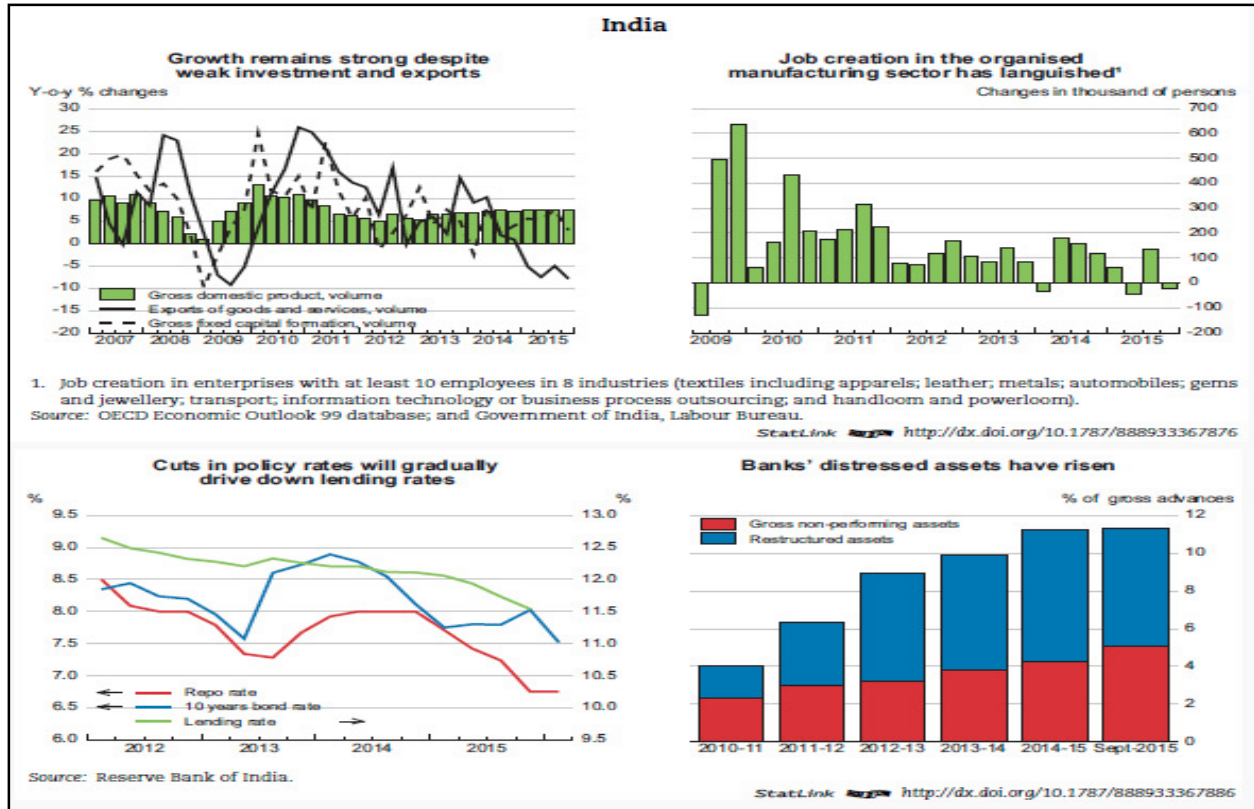
*(Source - <https://www.conference-board.org/data/globaloutlook/>)*

### Indian Economic Forecast

Economic growth is projected to remain strong, hovering around 7.5%. Private consumption will be boosted by expected large increases in public wages and declining inflation. Investment will pick up gradually as excess capacity fades, deleveraging continues for corporations and banks, and infrastructure projects mature.

Inflation is above the long-term target and public debt is high, leaving little room for accommodative policies. However, some monetary impulse is to come as recent cuts in policy rates are passed on to consumers and investors. The renewed commitment for fiscal consolidation is welcome but the quality of public finances should be improved by increasing tax revenue and tilting the spending mix towards physical and social infrastructure. Creating more and better quality jobs is the key to inclusive growth and requires modernizing labour laws and making further progress in the ease of doing business.

Improving productivity is essential for India's GDP per capita to catch up with higher-income countries. In the agriculture sector, which still absorbs about half of total employment, this would require farm consolidation and mechanization as well as better storage and transport infrastructure. In the manufacturing sector, labour and product market regulations should be reformed to enable firms to expand to an efficient size. Providing better access to quality health and education systems is also key, both to raise productivity and to ensure its fruits are spread more equitably.



(<http://www.oecd.org/economy/india-economic-forecast-summary.htm>)

**India's Power Sector**

As on 31.01.2014	Target for 31.03.2017
Installed Power Generation Capacity: 234,602 MW (Thermal – 68%, Hydro – 17%, Nuclear – 2%, RES – 13%)	Installed Power Generation Capacity: 318,414 MW
AC Transmission Lines: 277,602 ckm HVDC: 9,432 ckm	AC Transmission Lines: 348,049 ckm HVDC: 16,872 ckm
AC Substation Transformation Capacity: 497,511 MVA HVDC: 13,500 MW	AC Substation Transformation Capacity: 669,801 MVA HVDC: 22,500 MW
Inter-Regional Transmission Capacity: 33,950 MW	Inter-Regional Transmission Capacity: 65,550 MW

(Source - <http://ieema.org/industry-update/>)

**Power Sector in Indian Context**

The Indian electrical equipment industry comprises of two broad segments – generation equipment (boilers, turbines, generators) and transmission & distribution (T&D) and allied equipment like transformers, cables, transmission lines, switch gears, capacitors, energy meters, instrument transformers, surge arrestors, stamping and lamination, insulators, insulating material, industrial electronics, indicating instruments, winding wires, etc.

**Sector Analysis**

- The generation equipment sector is around 15% of the total industry, while the T&D equipment sector is the rest 85% in 2014-15. Generators, Generating Sets & Parts, Switchgear and Control gear, Transformers & Parts, Cables, Industrial Electronics, Boilers & Parts, Transmission Line Towers etc.

- The sector boasts of a diversified, matured and strong manufacturing base backed by a robust supply chain. Rugged performance design of equipment to meet tough network demand and presence of major foreign players, either directly or through technical collaborations with Indian manufacturers is a testimony of unique advantages India holds in this sector.
- With state-of-the-art technology in most sub-sectors at par with global standards, the major export markets for Indian electrical equipment are USA, Germany, UAE, Saudi Arabia, France, UK, Nigeria, China, Kenya and Brazil. The major export products are Rotating Machines (Motors, AC Generators, and Generating Sets) & Parts, Switchgear and Control gear, Transformers & Parts, Cables, Industrial Electronics, Boilers & Parts, and Transmission Line Towers etc.

*(Source: <http://ieema.org/industry-intelligence/indian-engineering/>)*

### Switch gear & Control gear

Switchgear refers to the combination of electrical disconnects, fuses and/or circuit breakers used to isolate electrical equipment. Switchgear is used both to de-energize equipment to allow work to be done and to clear faults downstream. Switchgear & Control gears are indispensable not only in transmission and distribution of power, but any where there is a need to access and control electricity. The Indian Switchgear Industry is manufacturing entire range of circuit breaker form bulk oil, minimum oil, air blast, vacuum to sulphur hexafluoride as per standard specification. Switchgear & Control gear Industry in India is a fully developed and mature industry, producing and supplying a wide variety of switchgear: and control gear items needed by the industrial and power sector. This industry sector in fact manufactures the entire voltage range from 240 V to 800 KV

Secondary equipment such as relays used for various types of fault protection, also known as control gear, have made significant advances due to major development in the field of electronics. The digital relays are fast replacing the conventional relays due to technology advancement, compact size & its reliability. As per recent trend & addition to protection and control of power, monitoring and signalling are becoming integral part of switchgears. With monitoring, the fault conditions can be predicated whereas signalling helps to know the status of switch gears at various locations.

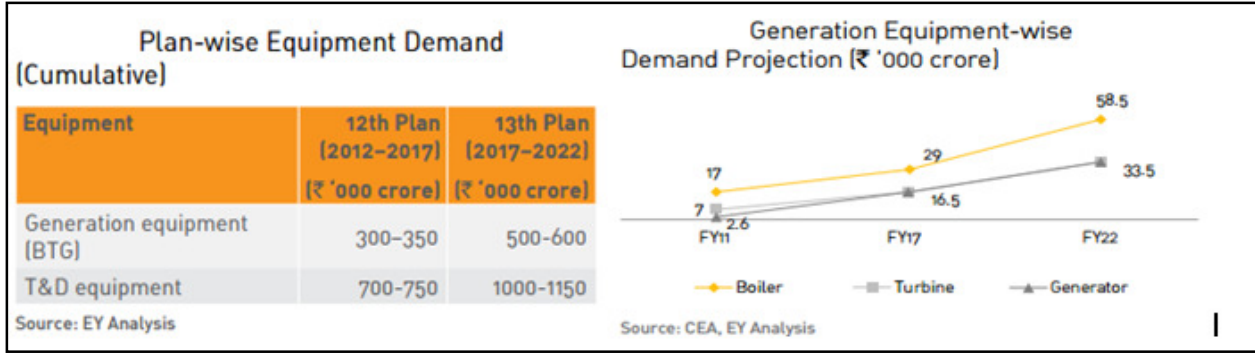
*(Source - <http://dhi.nic.in/UserView/index?mid=1342>)*

### Indian Electrical Equipment Industry

India's electrical equipment industry is highly diverse and manufactures a wide range of high and low technology products. The industry directly employs around half million persons and provides indirect employment to another one million people. The industry can be broadly classified into two sectors – generation equipment and T&D equipment. Other electrical equipment, including instrument transformers, surge arrestors, stamping and lamination, insulators, insulating material, industrial electronics, indicating instruments, winding wires, etc., contributed to ₹25,000 crore (US\$ 5.2 billion).

The demand for electrical equipment in India is expected to witness a significant expansion on the back of the growth of the power sector. The government is likely to add around 88.5 GW and 93 GW, respectively, under its 12th Five Year Plans. Based on investment estimates and capacity addition targets, it is expected that the domestic demand for BTG will be in the range of ₹ 125,000-150,000 crore (US\$ 25-30 billion) by 2022, while that of the T&D equipment industry will be ₹ 350,000– 375,000 crore (US\$ 70-75 billion) 10.

There has been an overall growth in most segments of the electrical equipment industry — in boilers, turbines, generators, transformers, switchgears, and wires and cables due to the high demand from central and state power utilities. India's EE industry is expected to grow steadily and witness growth opportunities as a result of the government's focus on capacity augmentation across generation, transmission and distribution.



(Source - [http://ieema.org/wp-content/uploads/2015/05/LFE\\_Mission\\_Plan\\_2012\\_2022.pdf](http://ieema.org/wp-content/uploads/2015/05/LFE_Mission_Plan_2012_2022.pdf))

## **OUR BUSINESS**

*The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Prospectus, including the information contained in “Risk Factors”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Financial Information Of the Company” beginning on page 15, 180 & 146 respectively of this Prospectus. The financial figures used in this section, unless otherwise stated, have been derived from our Company’s restated audited financial statements. Further, all references to “RMC Switchgears Limited”, ‘the Company’, ‘our Company’ and ‘the Issuer’ and the terms ‘we’, ‘us’ and ‘our’, are to RMC Switchgears Limited.*

### **OVERVIEW**

We are an ISO 9001:2008 certified company primarily engaged in the business of designing and manufacturing of, Enclosures of Energy Meters, LT/HT Distribution Boxes and Panels, Junction Boxes, Feeder Pillars and other Power Distribution and Circuit Protection Switchgears made from Mild Steel, Stainless Steel in Fabrication and Deep Drawn Process along with Sheet Moulding Compound and Bulk Moulding Compound (DMC) materials. We are also undertaking work involving laying of energy transmission lines and establishing electric substation, fixing of new energy meters and shifting of existing energy meters from inside to outside etc in different regions of the country. In the fiscal year 2015-16 we have undertaken work of laying of power cable project for Churu, Sujangarh, Ladnu, Ratangarh, Sadulpur and Phalodi circles of Jodhpur Vidyut Vitran Nigam Limited - A Rajasthan State Government Company.

Our company was incorporated in year 1994 as “RFH Metal Castings Private Limited” under the provision of Companies Act, 1956 with the Registrar of Companies, Rajasthan, Jaipur. Our company was converted into a public limited company in year 2008 and further changed its name from RFH Metals Castings Limited to RMC Switch Gears Limited on March 30, 2009. Further, the name of our Company was changed from RMC Switch Gears Limited to RMC Switchgears Limited vide a fresh Certificate of Incorporation dated July 25, 2016 issued by the Registrar of Companies, Rajasthan, Jaipur.

We currently operate through our manufacturing facility located at 7 K.M. From Chaksu, Khotkawda Road, Village Badodiya, Tehsil Chaksu, Tonk Road, Jaipur-303901, Rajasthan. Our manufacturing facility located at Chaksu is well equipped with wide range of machineries and other handling equipments which ensures proper product handling and smooth running of the manufacturing process. We use the latest technologies in our production process which helps in timely manufacturing of quality products meeting required standards and also achieve cost effectiveness. Our company has in house testing laboratories to test the products as per quality standards and relevant material composition. All the incoming materials are tested and the final product has to pass through requisite quality tests so that they meet the desired quality standards. Additionally, MIA factory situated at B-11, (B&C), Malviya Industrial Area, Jaipur-302017, Rajasthan, India is used to perform job work for products manufactured at Chaksu. The said job work is performed by the Jobworkers in our factory premises.

Under the leadership of our Promoters we have strengthened our manufacturing capacity to cope with the changing market demand and upgrading the technology. With the experience of our Promoters & senior management we have been able to sustain and grow in the past. Our customer base includes many names from Indian private sector namely Larson & Toubro Limited, KEI Industries Limited, NCC Limited, IL&FS Engineering & Construction Co Ltd, BSES Ltd, IRCON Ltd, Drake & Scull Ltd, etc and state owned power utilities in the states of Rajasthan, Haryana, Uttar Pradesh, Madhya Pradesh, Punjab, Bihar, Karnataka, Gujarat, Uttaranchal and Assam.

Our Company has also undertaken work under the Central funded schemes such as RGGVY and R-APDRP schemes as well as the State funded schemes such as Feeder Separation Schemes providing trouble free electricity to both urban and rural areas.

For the period ended September 30<sup>th</sup>, 2016 & year ended on March 31, 2016, fiscal 2015, fiscal 2014 and fiscal 2013 our total revenue was 2609.65 Lakhs, 6074.76 Lakhs, 4846.90 Lakhs, 4472.58 Lakhs & 4178.71 Lakhs respectively. Further, our EBT for the Six months ended on September 30<sup>th</sup>, 2016 & twelve month ended March 31, 2016, fiscal 2015, fiscal 2014 and fiscal 2013 were 77.34 Lakhs, 117.21 Lakhs, 34.93 Lakhs, 30.63 Lakhs & 8.37 Lakhs

respectively. We have been able to increase our revenue at an annual growth rate of 13.28% from fiscal 2013 until fiscal 2016 and our EBT has grown at 141.03% for the same period.

**OUR COMPETITIVE STRENGTHS:-**

**1) Large & Diverse Product Portfolio**

We are engaged in the manufacturing of the electrical accessories products. We are currently manufacturing a wide range of products like distribution Boxes, Meter boxes with different specification, circuits breaker, fuse, clamps/connectors and many other electrical item which are used by the electricity distribution companies.

**2) Established relationship with institutional customers**

Our company focuses on providing the customers with the desired quality and standard products. By providing the products with the desired quality and standards we aim to achieve highest level of customer satisfaction and procure repeated orders from customers.

**3) Quality Assurance and Control**

We have received an ISO 9001:2008 certification on the quality management system of our company for designing and manufacturing of Electronic meters, LT Distribution boxes, meter boxes and other enclosures. We follow a practice of testing our products for the desired quality and customer requirement before dispatching the same to the customers. We perform test such as visual inspection, mechanical test, Insulation resistance test, Electrical operational test, Continuity test, high voltage and temperature test to ensure the quality and safety of the products.

**4) Integrated manufacturing facility**

We do continuous endeavor to maintain the requisite infrastructure and technological upgradation for the smooth running of the manufacturing process as well as to cope with the changing market demand situation. There is a continuous change in the technology and the markets are very dynamic to the change in technology. We keep ourselves technologically upgraded with the latest machines and infrastructure.

**5) Experienced Promoter and skilled workforce**

Our promoter namely; Mr. Ashok Kumar Agarwal, Mr. Ankit Agrawal & Mrs. Neha Agrawal have more than 38, 18 & 2 years of experience. Under their guidance, knowledge and business skills we have been able to successfully implement our business plans and achieve growth.

**OUR BUSINESS STRATEGIES:-**

**1) Leveraging Market Skills**

Under the leadership and experience of our Promoter namely Mr. Ankit Agrawal who is overseeing the marketing of the products and also handles the co-ordination with the various State Electricity Boards (SEBs) in the country we have been able to procure good orders. We aim to further leverage our marketing skills and relationships and further enhancing customer satisfaction. We also intend to further expand our client base by meeting orders in time and maintaining customer relationships.

**2) 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.

**3) Achieving Operational Efficiencies**

Our company aims to achieve operational efficiencies through cost reduction. We believe that this could be done through economies of scale and further increasing our areas of operations. We continue to invest in latest technology to ensure operational and management efficiencies, and to standard to quality. Also, increasing our penetration in existing regions will enable us to penetrate into new catchment areas within these regions. As a result our company will be able to increase its market share and profitability.

**4) Expand Distribution Network & Customer Base**

Our company has presence in many parts of the country and aims to further increase its production capacity. We aim to widen our marketing network further to cover unexplored areas in India and strengthen our customer base.

**OUR LOCATION:-**

<b>Registered Office&amp; Factory Premises</b>	7 K.M. From Chaksu, Khotkawda Road, Village Badodiya, Tehsil Chaksu, Tonk Road, Jaipur-303901, Rajasthan, India
<b>MIA Factory</b>	B-11, (B&C), Malviya Industrial Area, Jaipur-302017, Rajasthan, India

**Factory Premises:-**



**OUR PRODUCT PORTFOLIO:-**

Major products manufactured by us are as follows:-

**1. Distribution Boxes:-**

Product Photo	Variants	Description
	<ul style="list-style-type: none"> <li>• LT Distribution Boxes for “X” Mers. Single &amp; Three Phase from 10KVA to 500 KVA</li> <li>• LT Distribution Boxes for A.B. Cables. Single &amp; Three Phase from 100AMP to 250AMP</li> </ul>	<p>The distribution boxes ensure protection to the transformers and LV side of the consumers with distribution of the various numbers of Circuits.</p>



2. Energy Meter Boxes

Product Photo	Variants	Description
	<ul style="list-style-type: none"> <li>• LTCT Meter Boxes</li> <li>• Whole Current Meter Boxes</li> <li>• Meter Cum Protection Boxes</li> </ul>	<p>We manufacture high end quality single phase and three phase. Meter Boxes are prepared in Mild Steel (Fabricated and Deep Drawn)/ Stainless Steel/ Sheet moulding Compound and Polycarbonate. Some boxes have two separate compartments: One compartment is for 3Ph, 4 Wire energy meter and the other is for current transformer.</p>

3. Circuit Breakers & Fuses

Product Photo	Variants	Description
	<ul style="list-style-type: none"> <li>• Moulded Case Circuit Breaker</li> <li>• Kitkat Fuses</li> <li>• HRC Fuse Base &amp; Link Disconnecter</li> <li>• Switch Disconnecter</li> </ul>	<p>The Moulded Case Circuit Breaker are manufactured with electrical grade SMC/DMC EC grade copper. Kitkat Fuses are made from Gujarat porcelain and sheet moulding compound and offered for the rural and domestic applications. HRC Fuse Base &amp; Link Disconnecter ranging from 150AMP to 630AMP in S-1 and S-2 sizes made of SMC &amp; DMC Material. Switch Disconnectors are exclusively used as main switch in low voltage switch gears for distribution of power. These are also used in isolating loads during maintenance operations. These products are available from 200AMP to 800AMP and are designed as pole modules and are available as 3 &amp; 4 pole versions, front or side operated.</p>

4. FRP Pultruded Sections

Product Photo	Variants	Description
	<ul style="list-style-type: none"> <li>• FRP Pultruded Ladders</li> <li>• FRP Fencing</li> <li>• FRP Gratings &amp; Cable Trays</li> <li>• FRP Sections for</li> </ul>	<p>The Fibre Reinforced plastics has recently replaced mild steel and many metal as traditionally we have seen ladders, cable tray's and partitions in mild steel or and in aluminium which were very heavy, prone to corrosion and rusting, denting, theft prone and</p>

	<p>Infrastructures and other allied applications</p>	<p>expensive. We at RMC has developed an entire range of pultruded FRP sections which have unlimited applications from doors, windows, cable trays, and even fencing which are colourful, strong, tamper proof, corrosion &amp; chemical resistant and easily cleanable. They are also very light which makes it easily movable and fire retardant.</p>
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**5. Other Energy related Products:-**

Product Photo	Variants	Description
	<ul style="list-style-type: none"> <li>• Pole Mounted street Light Boxes</li> <li>• Meter Boards &amp; BPL Kits</li> <li>• Feeder Pillars</li> </ul>	<p>These boxes are designed for street lamp system and are mounted between the lamp power supply network and light. These are fitted with the circuit breakers which cuts the light off when the fault occurs.</p> <p>SMC Polycarbonate Meter Boards, Base Plates and BPL Kits are used for installation of single phase and three phase energy meters. The BPL Kits are installed includes other equipments mainly CFL, Switch, Bulb Holder, Service Line, Earthing etc, and are installed for BPL connectors.</p> <p>Feeder Pillars are made of CRCA MS sheet SMC/FRP are made for low voltage power distribution equipment. These are used for managing various outgoing circuits</p>

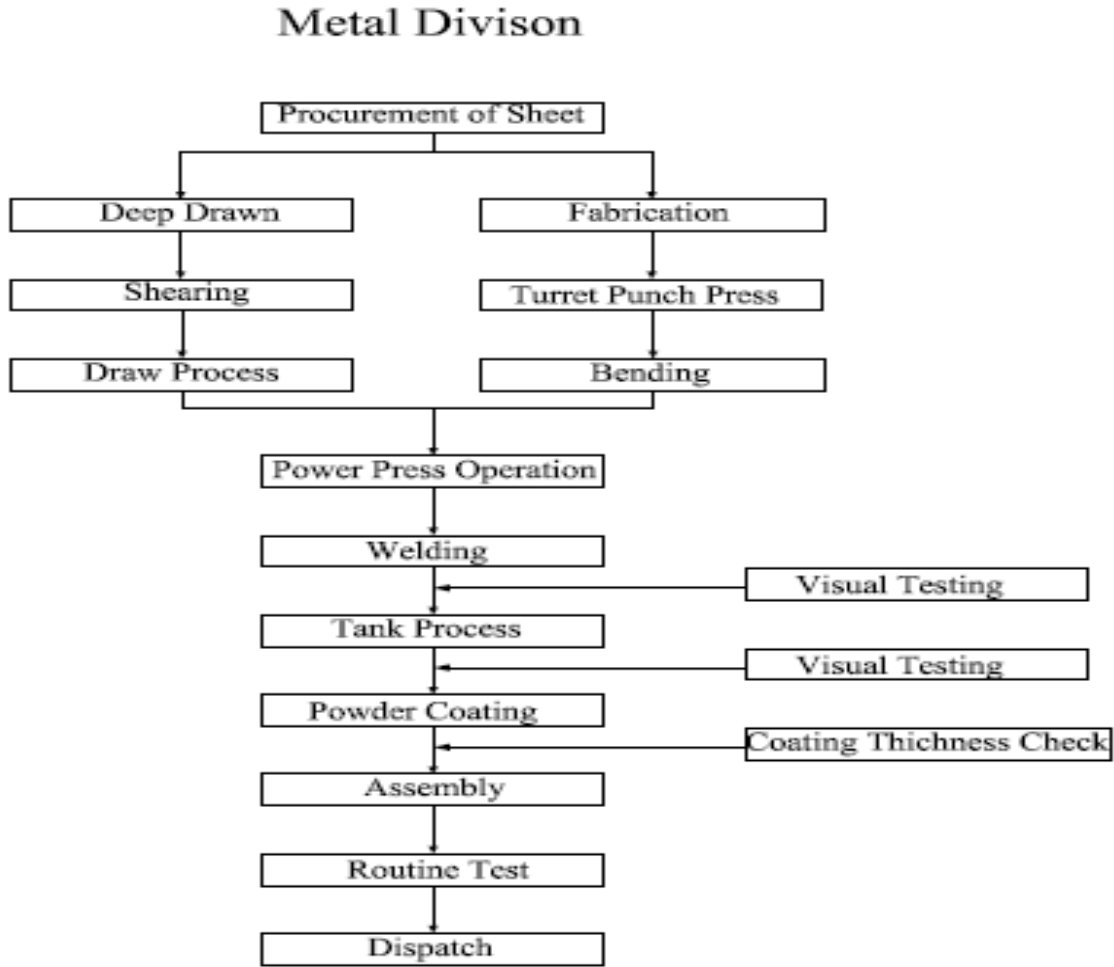
**MAIN FEATURES OF OUR PRODUCTS:-**

- Environment Friendly Manufacturing Processes
- Theft Proof and Shock Proof Reliability
- Advanced Technology
- Economical Designs as per the customer requirement
- Long Term Product Guarantees & Warranties
- Updated Service & Field Back Up

**MANUFACTURING PROCESS FLOW CHARTS:-**

The manufacturing process of the company is divided into 3 divisions namely Metal Division, Plastic Division and SMC (Sheet Moulding Compound) Division. The steps involved in the manufacturing process for both divisions are as below:-

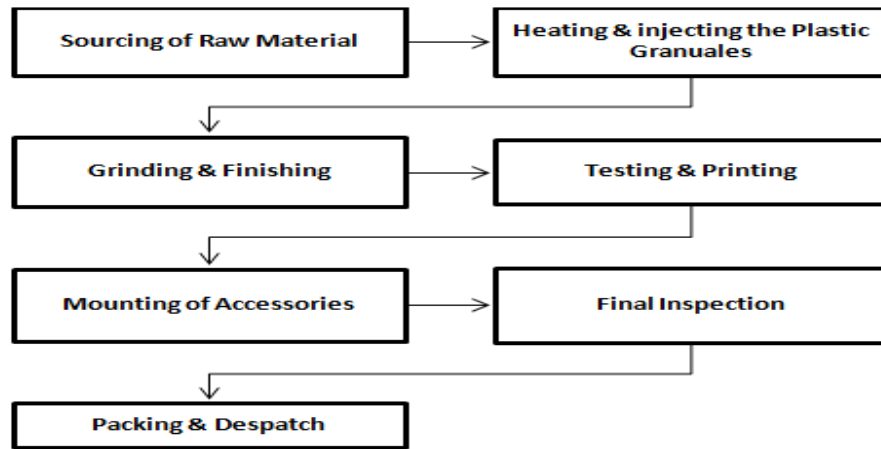
**Production flow chart for activities undertaken at the Metal division of the company is:-**



1. **Procurement of Sheets and Cutting** - The Sheet Coil is purchased from the market as per the requirement of customer drawings and the coil is cut into different sheets as per the specification of the customer. Conversion of coil into sheets is carried out by cutting the same into the sheets as per design.
2. **Power Press Operation**–Before the power press the sheets are sheared to remove the sharp edges and holes are punched into the sheets at their respective places. Sheet cut as per required sizes are passed through the Power Press. This process moulds the sheet as per the design of outer box. The sheet is trimmed and now the sheet is ready for fitting of the different parts. This activity requires a lot of precision and the customer’s specifications are kept in the mind.
3. **Welding** - Different types of Welding such as MIG, Electric or resistance welding is done on the box to give strength and join the different parts of the sheets into a complete box.

4. **Tank Process** - The panel box passes through the degreasing operations to remove the impurities stuck over the sheet to give it a fine finish. In order to remove the chemicals used for degreasing, the water rinsing is done so as to make the box, free of chemicals. De-rusting is done so as to remove any rust over the sheets and make the box ready for coating.
5. **Powder Coating & Coating Thickness Check**- Charged Powder Spray takes place on the box after phosphating in Paint Booth Section. In this process, Zinc Coating is done over the box (both inside & outside) so as to make it rust free for its entire usage life. After such spray the boxes are passed through oven for baking in oven for 15 min /180c or as instructed by customers. Inspection of the coating also takes place during the process.
6. **Assembly** – Now the finished box is sent in the assembly section for assembly of various electrical & electronic items such as MCCB, Wire & Cable, Fuse, Meter etc. At the time of assembly, checking of welding, grinding, strengtheners etc. is also done.
7. **Testing** - Finished products are inspected in-house and by third party if any designated by the customer. Each product is passed through various tests before sending them to finished goods godown. After complete panel has been assembled & wired out, testing as per I.S. & as per client requirement is carried out. We carry on the test namely Mechanical/Operation/Physical Test, Insulation Resistance Test, Electrical Operation Test, Continuity Test, Voltage test and Temperature test to verify the quality of the product.
8. **Dispatch** - The final product is packed into the corrugated boxes and polythene liner or other material as per the customer specification and the product is sent to sites as specified by the customers for delivery of the product.

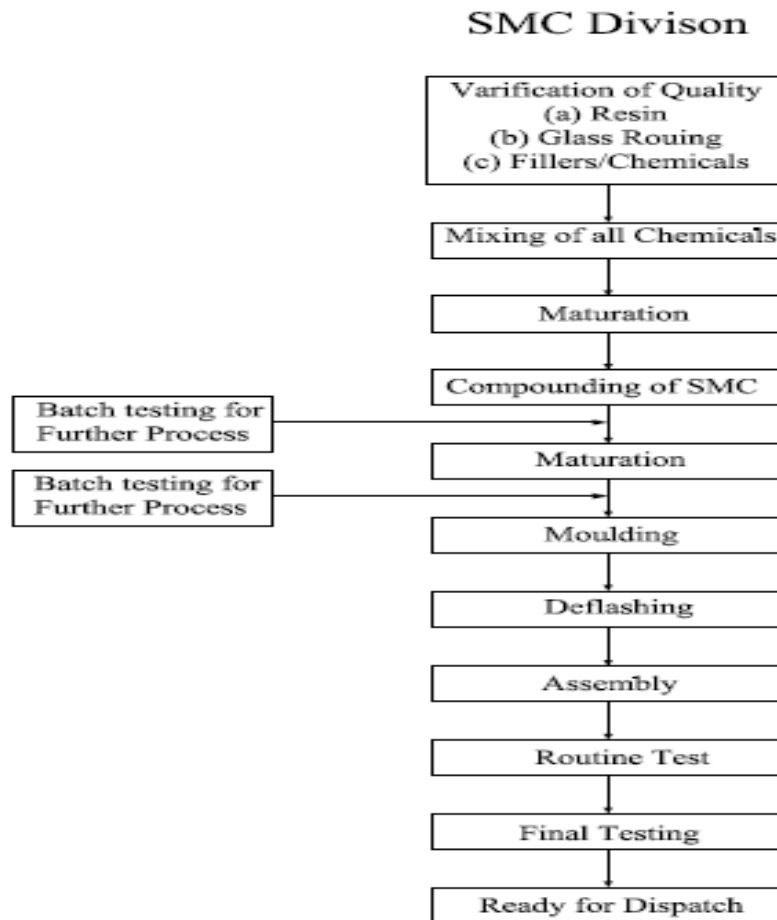
**Production flow chart for activities undertaken at the Plastic division of the company is:-**



1. **Sourcing of Raw Material** – Main raw material for the plastic division are plastic granules (nylon, polycarbonate, ASA, ABS etc) in required colours and grade. The material is received at the factory premises and are inspected for the requisite quality.
2. **Heating and Injecting the Plastic granules** – After the Plastic granules are received they are placed in the Hooper fitted to the Injection moulding machine. Moulds of the required design are attached in the machine. The plastic granules are heated at the stated temperature and then passed to the moulds to take the required shape.
3. **Grinding & Finishing** – This process involves finishing of the plastic material received from the machine and grinding of the edges to give the product a smooth finish.

4. **Testing & Printing** - Finished products are inspected in-house and by third party if any designated by the customer. Each product is passed through various tests before sending them to finished goods godown.
5. **Mounting of Accessories** – Now the finished box is sent in the assembly section for assembly of various electrical & electronic items such as MCCB, Wire & Cable, Fuse, Meter etc.
6. **Final Inspection** – Before packing the products they are inspected again for any further defects. After the product has passed through the above Test it ensures safety and reliability of the products for the ultimate users.
7. **Packing & Dispatch** - The final product is packed as per the customer specification and the product is sent to sites as specified by the customers for delivery of the product

**Production flow chart for activities undertaken at the SMC division of the company is:-**



1. **Mixing of Chemicals** - The ingredients for the Sheet moulds are first mixed together. The paste so formed is doctored onto a conveyor of polymeric carrier film. Then discontinuous fibers are distributed onto the paste layer.
2. **Maturation** - The compounded sheet after mixing is subjected to a maturation stage for a period of time ranging from a few hours to several days.
3. **Compounding of SMC** - This operation forms a dry bed of fibers which is subsequently sandwiched between another carrier film and layer of paste. The resulting sheet is then wound onto a take-up roll.

4. **Batch Testing:** It involves Inspection of incoming material as per parameters. It also involves Compounding is inspected during the process
5. **Moulding :** Moulding involves putting the sheets into the power presses where it is moulded in the required shapes and sizes with the help of various dyes and moulds
6. **Deflashing** – Deflashing involves fabrication, grinding and finishing of the box by removing the unwanted particle and give the product smooth finish.
7. **Assembly** – This process involves mounting of required accessories viz. Kit Kats, bus bars, cables, hinges, locks etc onto the boxes prepared. The product is finished at this stage and is send for testing for its durability.
8. **Testing** – Finished products are inspected in-house and by third party as designated by the customer. Each product is passed through various tests before sending them to finished goods godown. After complete panel has been assembled & wired out, testing as per I.S. & as per client requirement is carried out. After the product has passed through the above Test, a Test Certificate of the concerned panel is prepared, which thereby guarantees safety and reliability to actual user.
9. **Dispatch** - The final product is packed into the corrugated boxes and polythene liner or other material as per the customer specification and the product is sent to sites as specified by the customers for delivery of the product.

**PLANT & MACHINERY:-**

We have installed sufficient Plant and Machinery in our factory for manufacturing of meter boxes, electrical accessories and related items. Brief details of major Plant and Machinery installed are Amanda Torrent Punch Press with Bed size 1250\*2500MM, Press Brake CNC-(2500MM/1250MM), Tool Grinder, Deep Drawn Hydraulic Press, Spot Welding Machine, MIG welding Machine, Pre Treatment Plant (Tank Cleaning System) with PLC controlled Transporter, Sheering Machine, Injection Molding Machine, SMC Compound Mixer, BMG/DMG Sigma Mixture, SMC Hydraulic Molding Press, Spray Paint, Hydraulic SMC Press, Hydraulic Compression Moulding Press (1000 ton).

We have also installed machines at our manufacturing for testing the quality of the product; so that it meets the required specifications which includes Humidity/Heating/Cooling Chamber with hour meter, Refrigerator, Insulation Tester, High Voltage Tester (Digital), Dig. Torque Tester, Finger Test Apparatus, ECR Tester, Pendulum Impact Test Apparatus, Ball Pressure Test Apparatus, Travelling Microscope, Glow Wire Test, Tracking Index Tester, Multimeter (Digital), Di Electric Strength Apparatus, Hot Air Oven

**SWOT ANALYSIS:-**

<b><u>Strengths:</u></b>	<b><u>Weaknesses</u></b>
<ul style="list-style-type: none"> <li>Quality of the products gives a market edge for most of the suppliers.</li> <li>Manufacturing of SMC enclosures, demand for which is continuously rising.</li> <li>Competitive edge in terms of quality and competitive bidding.</li> <li>The company has well knit marketing network.</li> <li>Long Experience of Promoter in the Field.</li> </ul>	<ul style="list-style-type: none"> <li>Company has to mainly depend on the financially weak SEBs for its sales. Though the payment is almost secure but the delay in payment is normal feature of some of the SEBs.</li> <li>Uncertainty and slow pace of reforms.</li> <li>Macroeconomic challengers which constrain public and private funding.</li> </ul>
<b><u>Opportunities</u></b>	<b><u>Threats</u></b>

<ul style="list-style-type: none"> <li>• The Government is focusing on increasing the penetration of power supply in villages.</li> <li>• Expansion of key industry sector like power, steel, petrochemicals, telecom and others.</li> <li>• Per capita consumption of energy being relatively low, the growth potential for this industry in medium and long term is high.</li> <li>• Replacement and retrofitting programmes.</li> <li>• Government's focus on improving health of Electricity Boards through various schemes and other measures</li> </ul>	<ul style="list-style-type: none"> <li>• Economical and Political scenario in the country.</li> <li>• More preference to alternative material due to awakening for "Environmental Issues".</li> </ul>
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### **COLLABORATIONS/TIE UPS/ JOINT VENTURES**

We have entered into Joint arrangements with M/s Santhosh Electrical, Mysore on October 10, 2014 and M/s Win Power Infra Private Limited, Assam on November 11, 2013 in the ordinary course of business.

Except as disclosed in this Prospectus, we do not have any Collaborations/ Tie-Ups/ Joint Ventures as on the date of Prospectus.

**EXPORT OBLIGATION:** -Our Company does not have any export obligation as on date of this Prospectus.

### **CAPACITY UTILIZATION:-**

Particulars		Existing			Proposed		
		2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Installed Capacity (In Nos.)	Plastic Division	200000	200000	200000	200000	200000	200000
	Metal Division	380000	380000	380000	380000	380000	380000
	SMC Division	600000	600000	600000	600000	600000	600000
Production (In Nos.)	Plastic Division	87339	90547	105980	126000	151000	181000
	Metal Division	127508	28911	204807	245000	294000	370000
	SMC Division	153116	207989	370425	408000	506000	590000
Utilization (In %)	Plastic Division	43.67	45.27	52.99	63.00	75.50	90.50
	Metal Division	33.55	7.61	53.90	64.47	77.37	97.37
	SMC Division	25.52	34.66	61.74	68.00	84.33	98.33

### **SALES AND MARKETING:-**

Sales and marketing is crucial in the success of our business. Most of our business and orders are awarded after tendering process. Our marketing and business development team under the leadership of our promoter namely Mr. Ankit Agrawal, who endeavor to make our bids competitive in order to maintain old clients as well as searching for new customer base and clientele. To retain our clients we regularly interact with them to gain insight into customized product requirements and bring innovation into our product offerings.

Backing by our strong commitment towards High Quality Products and timely Delivery Schedules we are able to secure repeated orders from our customers. Other than Govt. Companies, we have been doing most of our Sales through Letter of Credit or Advance payments. Major part of our sales is to the Utilities directly or indirectly. We always try to assess properly our customers' needs and keep on innovating up gradation for better performance of our products.

#### **Marketing strategies:-**

We intend to focus on following marketing strategies:

- Customized products as per customers' requirements

- Focus on existing markets & increasing our customer base
- Providing value added services

**COMPETITION:-**

Much of the market in which we operate comprises of organized players. The industry in which we operate is highly competitive and orders are awarded after tendering process. We believe that competitive pricing, product quality, technical ability, performance records and after sales services are the key factors in client decision among competitors. Our Company’s major emphasis is on manufacturing of superior designed quality product at affordable price. Thus, due to consistent emphasis on quality and delivery, our Company has been receiving repeated orders from our customers.

Some of our major competitors are:-

1. Arun Enterprises
2. Stelmac Limited
3. Veto Switchgears and Cables Limited
4. Star Delta Transformers Limited
5. Salzer Electronics Limited
6. Sintex Industries Limited

**INFRASTRUCTURE & UTILITIES-**

**Raw Materials:-**

Most of our raw material like M S Sheets, Resin, glass fibre, ATH, Polycarbonate, hardware is procured mainly from within the country. Though the requirement for switch gears is met both through sources within the country as well as through import from China.

**Power:-**

The requirements of power for operations are met through Jaipur Vidyut Vitran Nigam Limited. In addition the company has also installed DG Sets with capacity ranging from 63KVA to 260KVA and transformers of 400 KVA capacity at factory unit situated at from 7 K.M. Chaksu, Khotkawda Road, Village Badodiya, Tehsil Chaksu, Tonk Road, Jaipur-303901, Rajasthan.

**Water:-**

Water requirement for the manufacturing and allied activities is very minimal and the same is met through own bore well.

**Human Resource:-**

As on August 31, 2016, we have employed 77 full-time employees at our locations. Focusing on the growth and stability in the long range we have employed in our Company a prudent mix of the experienced and youth which gives us the dual advantage. Also, we have appointed job workers on piece basis for assembling of our product.

**PROPERTY:-**

**Intellectual Property:-**

**Trademarks Registered- in the name of our company**

Set forth below are the trademarks registered in the name of our company under The Trade Marks Act, 1999:

S. No	Brand	Class	Nature of	Owner	Application	Status
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	Name/ Logo Trademark		Trademark		No. & Date	
1.	Trademark	09		RFH Metal Castings Private Limited	1756657 21/11/2008	Registered Valid upto 21/11/2018
2.	Trademark	09		RMC Switch Gears Limited	3311513 15/07/2016	Objected as on date of Prospectus
3.	Trademark	19	LAMINA	RMC Switch Gears Limited	3417457 23.11.2016	Objected as on date of Prospectus
4.	Trademark	19	KORIAN	RMC Switch Gears Limited	3417458 23.11.2016	Objected as on date of Prospectus

**Details of Domain Name registered in the name of the company:-**

S. No	Domain name and ID	Sponsoring Registrar and IANA ID	Registrant Name and Address	Creation Date	Registration Expiry Date
1	<a href="http://www.rmcindia.in">www.rmcindia.in</a> ID:D3524631-AFIN	Endurance Domains Technology Pvt. Ltd. (R173-AFIN)	RMC India ID: WIQ_42989172	27.03.2009	27.03.2017

**IMMOVABLE PROPERTIES:-**

Details of our immovable properties are as follows:-

**Registered office and Units:-**

S. No.	Details of the property	Use	Owned/ Leased/ Licensed	Lessor/Seller	Consideration/ Lease Rental/ License Fees (Rs.)
1.	7 K.M. From Chaksu, Khotkawda Road, Village Badodiya, Tehsil Chaksu, Tonk Road, Jaipur-303901, Rajasthan, India	Registered Office and Factory premises	Partly owned and Partly taken on rent from Mr Ankit Agrawal (Promoter)	Khasra no 163 purchased from Mrs. Premlata Sharma W/o Rameshwar Prasad Sharma r/o Chaksu District Jaipur.	Registered sale deed dated September 10, 2007 registered at Sub-registrar of Assurances, Chaksu, Jaipur for total area of 1.27 Hectare situated in Khasra No. 163 for consideration of ₹ 800000.00

				Khasra No. 164 hissa ½ portion purchased from Mrs. Neetu Sharma W/o Krishna Murari Sharma r/o Chaksu District Jaipur.	Registered sale deed dated September 10, 2007 registered at Sub-registrar of Assurances, Chaksu, Jaipur for half of the total area of 1.27 Hectare situated in Khasra No. 164 for consideration of ₹400000.00
				<b>Lessor</b> :Khasra no 157 taken on rent from Mr. Ankit agrawal Promoter of our Company	Rent agreement dated July 01, 2016 for a monthly rent of ₹ 25,000
2.	B-11, B&C, Malviya Industrial Area, Jaipur-302017, Rajasthan, India	Used as Factory premises	Leased	Rajasthan State Industrial Development and Investment Corporation Limited	Lease Agreement dated March 15, 1996 for a period of 99 years for a consideration of ₹ 5,19,935.

#### INSURANCE:-

We maintain insurance policies to cover our assets against losses from fire and other risks to our properties through Standard Fire & Special Perils Policy. We have also taken Burglary Standard Policy to cover any losses arising from the theft of the assets of the company. We also maintain insurance policies such as Money Insurance policy, Workmen's compensation insurance policy, marine cargo policy and vehicle insurance. Apart from above we have also taken insurance cover for the Site erection all risk insurance policy to cover the risk of damage to plant and machinery and material used at site and also cover for third party liability in case of accidents. We believe that our insurance coverage is consistent with industry standards for companies in India.

## **KEY INDUSTRY REGULATIONS**

*The following description is a summary of the relevant regulations and policies as prescribed by the GoI and other regulatory bodies that are applicable to our business. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies, and the bye laws of the respective local authorities that are available in the public domain. The regulations set out below may not be exhaustive and are merely intended to provide general information to the shareholders and neither designed, nor intended to substitute for professional legal advice. For details of government approvals obtained by us, see the section titled “Government and Other Approvals” on page 199 of this Prospectus.*

### **The Companies Act, 1956**

The Act deals with laws relating to companies and certain other associations. It was enacted by the parliament in 1956. The Companies Act primarily regulates the formation, financing, functioning and winding up of companies. The Act prescribes regulatory mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. Regulation of the financial and management aspects constitutes the main focus of the Act. In the functioning of the corporate sector, although freedom of companies is important, protection of the investors and shareholders, on whose funds they flourish, is equally important. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

### **The Companies Act, 2013 (to the extent notified).**

The Companies Act, 2013 has been published on August 29, 2013. Section 1 of the said Act was notified on August 30, 2013, while 98 more sections were notified as on September 12, 2013, section 135 and rules thereunder on 27/02/2014. The Ministry of Company Affairs has further notified 183 sections of the Act and Rules thereunder to be made effective from 01.04.2014.

### **Regulation of Foreign Investment in India**

Foreign investment in India is primarily governed by the provisions of the Foreign Exchange Management Act, 1999 (“FEMA”) and the rules and regulations promulgated there under. The RBI, in exercise of its powers under FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 (“FEMA Regulations”) which prohibit, restrict and regulate, transfer or issue of securities, to a person resident outside India. Pursuant to the FEMA Regulations, no prior consent or approval is required from the RBI for foreign direct investment under the “automatic route” within the specified sectoral caps prescribed for 63 various industrial sectors. In respect of all industries not specified under the automatic route, and in respect of investments in excess of the specified sectoral limits under the automatic route, approval for such investment may be required from the FIPB and/or the RBI. Further, FIIs may purchase shares and convertible debentures of an Indian company under the portfolio investment scheme through registered brokers on recognized stock exchanges in India. Regulation 1 (4) of Schedule II of the FEMA Regulations provides that the total holding by each FII or SEBI approved sub-account of an FII shall not exceed 10% of the total paid-up equity capital of an Indian company or 10% of the paid-up value of each series of convertible debentures issued by an Indian company and the total holdings of all FIIs and sub accounts of FIIs added together shall not exceed 24% of the paid-up equity capital or paid-up value of each series of convertible debentures. However, this limit of 24% may be increased up to the statutory ceiling as applicable, by the Indian company concerned passing a resolution by its board of directors followed by the passing of a special resolution to the same effect by its shareholders.

### **The Indian Contract Act, 1872**

The Contract Act is the legislation which lays down the general principles relating to formation, performance and enforceability of contracts. The rights and duties of parties and the specific terms of agreement are decided by the contracting parties themselves, under the general principles set forth in the Contract Act. The Contract Act also provides for circumstances under which contracts will be considered as ‘void’ or ‘voidable’. The Contract Act contains provisions governing certain special contracts, including indemnity, guarantee, bailment, pledge, and agency.

### **Electricity Act, 2003**

The Electricity Act is a central unified legislation relating to generation, transmission, distribution, trading and use of electricity, which seeks to replace the multiple legislations that governed the Indian power sector. The most significant reform initiative under the Electricity Act was the move towards a multi buyer, multi seller system as opposed to the then existing structure which permitted only a single buyer to purchase power from power generators. In addition, Electricity Act provides for a greater flexibility and grants the respective electricity regulatory commission's greater freedom in determining tariffs, without being constrained by rate-of-return regulations. The Electricity Act seeks to encourage competition with appropriate regulatory intervention. An Appellate Tribunal to hear appeals against the decision of the CERC and SERCs has been established. However, Electricity Act provided that transmission; distribution and trade of electricity are regulated activities which require licenses from the appropriate electricity regulatory commission, unless exempted by the appropriate government in accordance with the provisions of Electricity Act. It was amended in 2007 to exempt captive power generation plants from licensing requirements for supply to any licensee or consumer. Government has also announced National Electricity Policy in 2005 to guide the development of the electricity sector in India.

### **Industrial (Development and Regulation) Act, 1955, as amended (the "I(D&R) Act")**

The I(D&R) Act has been liberalized under the New Industrial Policy dated July 24, 1991, and all industrial undertakings are 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.

### **Environmental Laws**

The business of the Company is subject to various environment laws and regulations. The applicability of these laws and regulations varies from operation to operation and is also dependent on the jurisdiction in which the Company operates. Compliance with relevant environmental laws is the responsibility of the occupier or operator of the facilities.

The operations of the Company require various environmental and other permits covering, among other things, water use and discharges, stream diversions, solid waste disposal and air and other emissions. Major environmental laws applicable to the business operations include:

#### **The Environment (Protection) Act, 1986, as amended (the "EPA")**

The EPA is a umbrella legislation in respect of the various environmental protection laws in India. The EPA vests the GoI with the power to take any measure it deems necessary or expedient for protecting and improving the quality of the environment and preventing and controlling environmental pollution. This includes rules for, inter alia, laying down the quality of environment, standards for emission of discharge of environment pollutants from various sources as given under the Environment (Protection) Rules, 1986, inspection of any premises, plant, equipment, machinery, examination of manufacturing processes and materials likely to cause pollution. Penalties for violation of the EPA include fines up to ₹ 100,000 or imprisonment of up to five years, or both. The imprisonment can extend up to seven years if the violation of the EPA continues.

There are provisions with respect to certain compliances by persons handling hazardous substances, furnishing of information to the authorities in certain cases, establishment of environment laboratories and appointment of Government analysts.

#### **The Water (Prevention and Control of Pollution) Act, 1974, as amended (the "Water Act")**

The Water Act aims to prevent and control water pollution as well as restore water quality by establishing and empowering the Central Pollution Control Board and the State Pollution Control Boards. Under the Water Act, any person establishing any industry, operation or process, any treatment or disposal system, use of any new or altered

outlet for the discharge of sewage or new discharge of sewage, must obtain the consent of the relevant State Pollution Control Board, which is empowered to establish standards and conditions that are required to be complied with. In certain cases the State Pollution Control Board may cause the local Magistrates to restrain the activities of such person who is likely to cause pollution. Penalty for the contravention of the provisions of the Water Act include imposition of fines or imprisonment or both.

The Central Pollution Control Board has powers, inter alia, to specify and modify standards for streams and wells, while the State Pollution Control Boards have powers, inter alia, to inspect any sewage or trade effluents, and to review plans, specifications or other data relating to plants set up for treatment of water, to evolve efficient methods of disposal of sewage and trade effluents on land, to advise the State Government with respect to the suitability of any premises or location for carrying on any industry likely to pollute a stream or a well, to specify standards for treatment of sewage and trade effluents, to specify effluent standards to be complied with by persons while causing discharge of sewage, to obtain information from any industry and to take emergency measures in case of pollution of any stream or well. A central water laboratory and a state water laboratory have been established under the Water Act.

### **The Air (Prevention and Control of Pollution) Act, 1981, as amended (the “Air Act”)**

Pursuant to the provisions of the Air Act, any person, establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant State Pollution Control Board prior to establishing or operating such industrial plant. The State Pollution Control Board is required to grant consent within a period of four months of receipt of an application, but may impose conditions relating to pollution control equipment to be installed at the facilities. No person operating any industrial plant in any air pollution control area is permitted to discharge the emission of any air pollutant in excess of the standards laid down by the State Pollution Control Board.

The penalties for the failure to comply with the provisions of the Air Act include imprisonment of up to six years and the payment of a fine as may be deemed appropriate. If an area is declared by the State Government to be an air pollution control area, then, no industrial plant may be operated in that area without the prior consent of the State Pollution Control Board.

### **The Noise Pollution (Regulation & Control) Rules 2000 (“Noise Regulation Rules”)**

The Noise Regulation Rules regulate noise levels in industrial (75 decibels), commercial (65 decibels) and residential zones (55 decibels). 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.

### **Laws relating to 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:

### **Factories Act, 1948, as amended (the “Factories Act”)**

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.

**Employees (Provident Fund and Miscellaneous Provisions) Act, 1952, as amended (the "EPF Act")**

The EPF Act applies to factories employing over 20 employees and such other establishments and industrial undertakings as notified by the GoI from time to time. It requires all such establishments to be registered with the State provident fund commissioner and requires such employers and their employees to contribute in equal proportion to the employees' provident fund the prescribed percentage of basic wages and dearness and other allowances payable to employees. The EPF Act also requires the employer to maintain registers and submit a monthly return to the State provident fund commissioner.

**Employees State Insurance Act, 1948, as amended (the "ESIC Act")**

The ESI Act, provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

**Payment of Gratuity Act, 1972, as amended (the "Gratuity Act")**

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 non-compliance 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 ₹ 1 million.

**Industrial Disputes Act, 1947, as amended (the "ID Act")**

The ID Act 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.

**Payment of Bonus Act, 1965, as amended (the "PoB Act")**

The 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.

**Contract Labour (Regulation and Abolition) Act, 1970, as amended (the "CLRA Act")**

In respect of each of its facilities, the Company uses the services of certain licensed contractors who in turn employ contract labour whose number exceeds 20 in respect of each facility. Accordingly, the Company is regulated by the provisions of the CLRA Act which requires the Company to be registered as a principal employer and prescribes certain obligations with respect to welfare and health of contract labour. The CLRA Act requires the principal

employer of an establishment to which the CLRA Act applies to make an application to the concerned officer for registration of the establishment. In the absence of registration, contract labour cannot be employed in the establishment. Likewise, every contractor to whom the CLRA Act applies is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued. The CLRA Act imposes certain obligations on the contractor in relation to establishment of canteens, rest rooms, drinking water, washing facilities, first aid, other facilities and payment of wages. However, in the event the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA Act.

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

The Minimum Wages Act, 1948 came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule to this Act, in respect of which minimum rates of wages have been fixed or revised under the Act.

### **Tax Laws**

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

Income Tax Act, 1961 is applicable to every Domestic / Foreign Company whose income is taxable under the provisions of this Act or Rules made under it depending upon its “Residential Status” and “Type of Income” involved. U/s 139(1) every Company is required to file its Income tax return for every Previous Year by 30th September of the Assessment Year. Other compliances like those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like are also required to be complied by every Company.

#### **Value Added Tax (“VAT”)**

The levy of Sales Tax within the state is governed by the Value Added Tax Act and Rules 2008 (“the VAT Act”) of the respective states. The VAT Act has addressed the problem of Cascading effect (double taxation) that were being levied under the hitherto system of sales tax. Under the current regime of VAT the trader of goods has to pay the tax (VAT) only on the Value added on the goods sold. Hence VAT is a multi-point levy on each of the 62 entities in the supply chain with the facility of set-off of input tax- that is the tax paid at the stage of purchase of goods by a trader and on purchase of raw materials by a manufacturer. Only the value addition in the hands of each of the entities is subject to tax. Periodical returns are required to be filed with the VAT Department of the respective States by the Company.

#### **Central Sales Tax Act, 1956**

In accordance with the Central Sales Tax Act, every dealer registered under the Act shall be required to furnish a return in Form I (Monthly/ Quarterly/ Annually) as required by the State sale Tax laws of the assessee authority together with treasury challan or bank receipt in token of the payment of taxes due.

#### **Excise Regulations**

The Central Excise Act, 1944 seeks to impose an excise duty on excisable goods which are produced or manufactured in India. The rate at which the said duty is sought to be imposed is contained in the Central Excise Tariff Act, 1985. However, the Government has the power to exempt certain specified goods from excise duty, by notification. Our products are classified under Chapter code of 84-85 and attract an ad-valorem duty at the rate of 12.5%.

## **Customs Regulations**

All imports in the country are subject to duties under the Customs Act, 1962 at the rates specified under the Customs Tariff Act, 1975. However, the Government has the power to exempt certain specified goods from excise duty, by notification. The current custom duty on non-alloy steel is 5% and the custom duty on iron and steel is 10%.

## **Service Tax Laws**

Chapter V of the Finance Act, 1994 as amended, provides for the levy of a service tax in respect of 'taxable services', defined therein. The service provider of taxable services is required to collect service tax from the recipient of such services and pay such tax to the Government. Every person who is liable to pay this service tax must register himself with the appropriate authorities. According to Rule 6 of the Service Tax Rules, every assessee is required to pay service tax in TR 6 challan by the 6th 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 quarterly return in Form ST 3 by the 25th of the month immediately following the half year to which the return relates. Every assessee is required to file the return electronically.

## **Consumer Protection Act, 1986**

The Consumer Protection Act, 1986 ("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 provides for a three tier consumer grievance redressal mechanism at the national, state and district levels. Non compliance of the orders of these authorities attracts criminal penalties.

## **Approvals from Local Authorities**

Setting up of a factory or manufacturing / housing unit entails the requisite planning approvals to be obtained from the relevant Local Panchayat(s) outside the city limits and appropriate Metropolitan Development Authority within the city limits. Consents are also required from the state pollution control board(s), the relevant state electricity board(s), the state excise authorities, sales tax, among others, are required to be obtained before commencing the building of a factory or the start of manufacturing operations.

## **Laws relating to Intellectual Property**

In India, trademarks enjoy protection both statutory and under common law. The Trademarks Act, 1999, as amended ("Trademarks Act"), the Copyright Act, 1957, as amended ("Copyrights Act"), The Patents Act, 1970, as amended ("Patents Act"), and the Designs Act, 2000, as amended ("Designs Act"), amongst others govern the law in relation to intellectual property, including brand names, trade names and service marks, layout and research works.

## **Trademarks Act, 1999**

The Trade Marks Act provides for the application and registration of trademarks in India. The purpose of the Trade Marks Act is to grant exclusive rights to marks such as a brand, label and heading and to obtain relief in case of infringement for commercial purposes as a trade description. The registration of a trademark is valid for a period of 10 years, and can be renewed in accordance with the specified procedure.

Application for trademark registry has to be made to Controller-General of Patents, Designs and Trade Marks who is the Registrar of Trademarks for the purposes of the Trade Marks Act. The Trade Marks Act prohibits any registration of deceptively similar trademarks or chemical compound among others. It also provides for penalties for infringement, falsifying and falsely applying trademarks.



**Indian Copyrights Act, 1957**

The Copyrights Act governs copyright protection in India. Under the Copyright Act, copyright may subsist in original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings. Following the issuance of the International Copyright Order, 1999, subject to certain exceptions, the provisions of the Copyright Act apply to nationals of all member states of the World Trade Organization.

While copyright registration is not a prerequisite for acquiring or enforcing a copyright, registration creates a presumption favoring ownership of the copyright by the registered owner. Copyright registration may expedite infringement proceedings and reduce delay caused due to evidentiary considerations. Once registered, the copyright protection of a work lasts for 60 years.

The remedies available in the event of infringement of a copyright under the Copyright Act include civil proceedings for damages, account of profits, injunction and the delivery of the infringing copies to the copyright owner. The Copyright Act also provides for criminal remedies, including imprisonment of the accused, imposition of fines and seizure of infringing copies.

**Patents Act, 1970**

The purpose of a patent act in India is to protect inventions. Patents provide the exclusive rights for the owner of a patent to make, use, exercise, distribute and sell a patented invention. The patent registration confers on the patentee the exclusive right to use, manufacture and sell his invention for the term of the patent. An application for a patent can be made by (a) person claiming to be the true and first inventor of the invention; (b) person being the assignee of the person claiming to be the true and first inventor in respect of the right to make such an application; and (c) legal representative of any deceased person who immediately before his death was entitled to make such an application. Penalty for the contravention of the provisions of the Patents Act include imposition of fines or imprisonment or both.

**The Shops and Establishments Legislations, 1953**

Under the provisions of local shops and establishments legislations applicable in the states in which establishments are set up, establishments are required to be registered. 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. Our Company's offices have to be registered under the shops and establishments laws of the state where they are located.

**Competition Act, 2002, as amended (the "Competition Act")**

The Competition Act 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 on March 4, 2011 and have come 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.

**Property related laws**

The Company is required to comply with central and state laws in respect of property. Central Laws that may be applicable to our Company's operations include the Land Acquisition Act, 1894, the Transfer of Property Act, 1882, Registration Act, 1908, Indian Stamp Act, 1899, and Indian Easements Act, 1882.

In addition, regulations relating to classification of land may be applicable. Usually, land is broadly classified under one or more categories such as residential, commercial or agricultural. Land classified under a specified category is permitted to be used only for such specified purpose. Where the land is originally classified as agricultural land, in order to use the land for any other purpose the classification of the land is required to be converted into commercial or industrial purpose, by making an application to the relevant municipal or town and country planning authorities. In addition, some State Governments have imposed various restrictions, which vary from state to state, on the transfer of property within such states.

Land use planning and its regulation including the formulation of regulations for building construction, form a vital part of the urban planning process. Various enactments, rules and regulations have been made by the Central Government, concerned State Governments and other authorized agencies and bodies such as the Ministry of Urban Development, State land development and/or planning boards, local municipal or village authorities, which deal with the acquisition, ownership, possession, development, zoning, planning of land and real estate.

Each state and city has its own set of laws, which govern planned development and rules for construction (such as floor area ratio or floor space index limits). The various authorities that govern building activities in states are the town and country planning department, municipal corporations and the urban arts commission.

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

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

**Other regulations**

In addition to the above, the Company is required to comply with the provisions of the Companies Act, and other applicable statutes imposed by the Centre or the State for its day-to-day operations.

## HISTORY AND CERTAIN CORPORATE MATTERS

### Our History and Background

Our Company was originally incorporated on August 23, 1994 as “RFH METAL CASTINGS PRIVATE LIMITED” vide Registration no. 008698 (CIN U27310RJ1994PTC008698) under the provisions of the Companies Act, 1956 with the Registrar of Companies, Rajasthan, Jaipur. Subsequently 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 December 12, 2008 and the name of our Company was changed to “RFH METAL CASTINGS LIMITED” vide a fresh Certificate of Incorporation dated December 29, 2008 having (CIN U27310RJ1994PLC008698) issued by the Registrar of Companies, Rajasthan, Jaipur. Later vide Shareholders Resolution passed at the Extra Ordinary General Meeting of the Company held on March 25, 2009 and a fresh Certificate of Incorporation dated March 30, 2009 issued by the Registrar of Companies, Rajasthan, Jaipur the name of our Company was changed to “RMC SWITCH GEARS LIMITED”. Further, Our Company vide Shareholders Resolution passed at the Extra Ordinary General Meeting held on July 16, 2016 and a fresh Certificate of Incorporation dated July 25, 2016 issued by the Registrar of Companies, Rajasthan, Jaipur and the name of our Company was changed to “RMC SWITCHGEARS LIMITED having (CIN U27310RJ1994PLC008698)”.

Our Company was originally promoted by Mr. Ashok Kumar Agarwal, Mr. Vandeeep Kumar and Mr. Vitthal Das Agrawal who were the original subscribers to the Company’s Memorandum and Articles of Association in the year 1994. Later Mr. Vandeeep Kumar and Mr. Vitthal Das Agrawal resigned from Directorship on October 09, 1995 and June 28, 2016 respectively.

Presently Mr. Ashok Kumar Agarwal, Mr. Ankit Agrawal and Mrs. Neha Agrawal are the Promoters of the Company.

### Address of Registered Office & Factory

<b>Registered Office &amp; Factory Address</b>	7 KM, From Chaksu, Khotkawda Road, Village Badodiya, Tehsil Chaksu, Tonk Road, Jaipur-303901, Rajasthan, India E-mail: <a href="mailto:info@rmcindia.in">info@rmcindia.in</a> Website: <a href="http://www.rmcindia.in">www.rmcindia.in</a>
<b>MIA Factory Address</b>	B-11 (B&C), Malviya Industrial Area, Jaipur-302017, Rajasthan, India Tel. No. +91-141-4031516, +91-141-2759678 E-mail <a href="mailto:info@rmcindia.in">info@rmcindia.in</a> Website: <a href="http://www.rmcindia.in">www.rmcindia.in</a>

### Changes in the Registered Office:

Except as mentioned below, there has not been any change in our Registered Office since inception till the date of this Prospectus for better operational efficiency and administrative convenience.

From	To	With Effect From	Reason for Change
72, Tripolia Bazar, Jaipur-302002, Rajasthan, India	B-11 (B&C), Malviya Industrial Area, Jaipur-302017, Rajasthan, India	1997	To increase operational Efficiency
B-11 (B&C), Malviya Industrial Area, Jaipur-302017, Rajasthan, India	7 KM, From Chaksu, Khotkawda Road, Village Badodiya, Tehsil Chaksu, Tonk Road, Jaipur-303901, Rajasthan, India	2011	To increase operational Efficiency

### Key Events and Mile Stones:

Year	Key Events / Milestone
1994	Incorporation of the Company in the name and style of “RFH Metal Castings Private Limited”
1996	Establishment of factory situated at Malviya Industrial Area
	Commencement of Production Activities
2008	Conversion of our Company from Private Limited to Public Limited Company
2009	Change in name of the company to RMC Switch Gears Limited
2010	Establishment of factory situated at Chaksu
1997	Change in registered Office of our Company from 72, Tripolia Bazar, Jaipur-302002, Rajasthan, India to B-11 (B&C), Malviya Industrial Area, Jaipur-302017, Rajasthan, India
2011	Change in registered Office of our Company from B-11 (B&C), Malviya Industrial Area, Jaipur-302017, Rajasthan, India to 7 KM, From Chaksu, Khotkawda Road, Village Badodiya, Tehsil Chaksu, Tonk Road, Jaipur-303901, Rajasthan, India
2013	Received Certificate of Registration of ISO 9001:2008 for designing and manufacturing of Electrical Energy Meters, LT Distribution Boxes, Meter Boxes and other enclosures made of SMC, Polycarbonate and Metal, Solar Equipments, LV/MV Equipments & Switchgears.
2016	Change in name of the Company to RMC Switchgears Limited

### Our Main Object

The main objects of our Company as set forth in the Memorandum of Association of our Company are as follows:

1. To manufacture, import, export, roll, re-roll, draw, cast and deal in all kinds of stainless steel, iron and steel, alloy steel, ferrous and non-ferrous metals including ingots, blooms, billets, bars, wires and to carry on business of iron, steel and stainless steel founders, steel makers, steel converters and to establish stainless steel rolling mill and re-rolling in their respective branches, furnace proprietors, scrap dealers, metals and alloy makers and refiners, galvanisers, machinists, smiths, jappaners, welders, fabricators, moulders and jobworkers, plating of hardware items and bearing components.
2. To carry on the business as manufacturers, designers, fabricators, assemblers, processors, exporters, importers, buyers, sellers and contractors in casting products including ferrous and non-ferrous metals and their parts, casting foundry work, grey malleable and sand castings including machinery equipments, automobile components, implements, apparatus, tools, accessories, fittings, steel structures, buckets, containers, carriages, hangers, shelves, pulleys, tools and clips and to carry on the business as forgers, engineers, metallurgist, smelters, moulders, foundryman, welders, fitters, bioler makers and founders.
3. To manufacture, produce, design, repair, purchase, sell, contract, deal or otherwise engage generally in the domestic and non domestic electrical, electronic appliances and equipments, switchgears, enclosures, wire, cables, lines, conductors, transformers, moulding, turnkey power solutions from planning to commissioning, lighting solutions for domestic and non domestic requirements, electrical kilowatt / hour meters, magnets, electromagnets, power cables (including overhead and underground), industrial jewel, ammeters, voltmeters, boxes and other types of measuring instruments, electrical or non electrical, circuit breakers, switches, plant and equipment facilities ancillary to the operation or use of an electricity generation, transmission system or distribution system originated through solar, hydro, thermal or by any other means and to plan and execute an integrated programme on development and deployment of solar energy technologies or any new technologies to achieve commercialization and to deal, buy, sell and hire / lease all apparatus and things required for or used in connection with generation, distribution, supply, accumulation of Solar, Hydro, thermal Energy or by any other means and to provide Consultancy, expert services, advises, designs, drawings in relation to supervision and control of power in India and abroad.

### **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 Meeting of	Type of Meeting
1.	Increase in the authorized share capital of the Company from ₹ 1.00 Lakh divided into 1000 Equity Shares of ₹100/- each to ₹ 40.00 Lakhs divided into 40,000 Equity Shares of ₹ 100/- each.	February 22, 1996	EGM
2.	Increase in the authorized share capital of the Company from ₹ 40.00 Lakh divided into 40,000 Equity Shares of ₹ 100/- each to ₹ 45.00 Lakhs divided into 45,000 Equity Shares of ₹ 100/- each.	May 20, 1996	EGM
3.	Increase in the authorized share capital of the Company from ₹ 45.00 Lakhs divided into 45,000 Equity Shares of ₹ 100/- each to ₹ 200.00 lakhs divided into 2,00,000 Equity Shares of ₹ 100/- each	April 19, 2007	EGM
4.	Conversion of our Company from Private Limited to Public Limited Company. Consequently name of the Company has been changed from RFH Metal Castings Private Limited to RFH Metal castings Limited and a fresh Certificate of Incorporation dated December 29, 2008 bearing CIN U27310RJ1994PLC008698 was issued by Registrar of Companies, Rajasthan, Jaipur.	December 12, 2008	EGM
5.	Subdivision of Equity Shares of the Company having face value of ₹100/- each into 10 shares of face value of ₹10/- each and authorized share capital of the Company is change from ₹ 200 lakhs divided into 2,00,000 Equity Shares of ₹100/- each to ₹ 200 lakhs divided into 20,00,000 Equity Shares of ₹ 10/- each	January 06, 2010	EGM
4.	The name of the Company was changed from “RFH Metal Castings Limited” to “RMC Switch Gears Limited and a fresh Certificate of Incorporation dated March 30, 2009 bearing CIN U27310RJ1994PLC008698 was issued by Registrar of Companies, Rajasthan, Jaipur.	March 25, 2009	EGM
5.	Increase in the authorized share capital of the Company from ₹ 200.00 Lakhs divided into 20,00,000 Equity Shares of ₹ 10/- each to ₹ 650.00 lakhs divided into 65,00,000 Equity Shares of ₹ 10/- each	June 08, 2016	EGM
6.	Adoption of Memorandum of Association as per Companies Act, 2013	June 08, 2016	EGM
	<p>Altered the Clause III B after existing sub-clause 37 To read as under:</p> <p>38. To carry on the business of manufacturers and of the printers, tin, containers, drums, other packing articles made of metals or card board or hard board or any other material or substance and to buy, sell, import, export, convert, reconvert, recondition or otherwise deal in such products and by-products.</p> <p>39. To carry on the business of manufacturers, processors, importers, exporters, buyers, sellers, stockists, or otherwise dealers in precision, instruments, tools and accessories, nut bolts required in factories, mines, works and projects.</p> <p>40. To carry on the business of and to render service in the field of electroplating, galvanizing and anodizing.</p>	June 08, 2016	EGM

	<p>41. To carry on the business in India or elsewhere as manufacturers, buyers, sellers, dealers, importers, exporters, contractors, factors, agents and suppliers and profile plastic. P.V.C., pipe, moulded industrial articles, industrial components and articles, tubing films, roles or allied and auxiliary plastic products, extrusion process, packing materials, injections moulding, blow moulding, compressor moulding, vacuum, forming, housewares, different sizes and types of materials handing crates and/ or containers, plastic paletts, plastic luggage articles, suit cases, light and heavy automobile parts, components and accessories, Electrical appliances for TV Cabinets, computer parts plastic furniture vaccum flasks.</p> <p>42. To carry on the business of manufacturers of, dealers in, sellers, purchasers, contractors, importers, exporters, and suppliers of polythene, polypropylene, ABC, nylon, polystyrene, P.V.C., polyester strips, plastic powder and such other articles required to manufacture profile plastic, P.V.C. pipe, moulded household articles, tubing, films and rolls, Sheet Moulding Compound(SMC) products and various chemicals used for this purpose and Glass-Fibre.</p> <p>43. To plan, locate, design, establish, build, construct, equip, operate, make, lay, place, use, administer, manage, and maintain service, improve, inspect, enlarge, alter, protect, develop, extend, repair, replace, refurbish, pull down and remove and to carry out works in respect of electric wires (including these overheads and underground), cables, lines, plant and equipment facilities ancillary to the operation or use of an electricity transmission system or distribution system, and to acquire, operate and maintain the licenses, consents, authorizations, way leaves, casements and other rights capable of facilitating the aforesaid.</p>		
<p>7.</p>	<p>The name of the Company was changed from “RMC Switch Gears Limited” to “RMC Switchgears Limited and a fresh Certificate of Incorporation dated July 25, 2016 bearing CIN U27310RJ1994PLC008698 was issued by Registrar of Companies, Rajasthan, Jaipur.</p> <p>Altered the Clause III (A) by adding sub clause 3 after Existing Sun Clause 2 to read as under:-</p> <p>To manufacture, produce, design, repair, purchase, sell, contract, deal or otherwise engage generally in the domestic and non domestic electrical, electronic appliances and equipments, switchgears, enclosures, wire, cables, lines, conductors, transformers, moulding, turnkey power solutions from planning to commissioning, lighting solutions for domestic and non domestic requirements, electrical kilowatt / hour meters, magnets, electromagnets, power cables (including overhead and underground), industrial jewel, ammeters, voltmeters, boxes and other types of measuring instruments, electrical or non electrical, circuit breakers, switches, plant and equipment facilities ancillary to the operation or use of an electricity generation, transmission system or distribution system originated through</p>	<p>July 16, 2016</p>	<p>EGM</p>

	solar, hydro, thermal or by any other means and to plan and execute an integrated programme on development and deployment of solar energy technologies or any new technologies to achieve commercialization and to deal, buy, sell and hire / lease all apparatus and things required for or used in connection with generation, distribution, supply, accumulation of Solar, Hydro, thermal Energy or by any other means and to provide Consultancy, expert services, advises, designs, drawings in relation to supervision and control of power in India and abroad.		
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### Other Details about of our Company

For details of our Company's activities, products, growth, technology, marketing strategy, competition and our customers, please see "*Our Business*", "*Management's Discussion and Analysis of Financial Conditions and Results of Operations*" and "*Basis for Issue Price*" on pages 92, 180 & 81 respectively of this 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 pages 120 and 51 of this Prospectus respectively.

### Acquisition of Business/ Undertakings & Amalgamation

There has been no merger/amalgamation in the history of our Company and we have not acquired any business/undertakings since incorporation.

### Holding Company

As on the date of this Prospectus, our Company is not a subsidiary of any company.

### Details of Subsidiaries

As on the date of this Prospectus, our Company doesn't have any subsidiary company.

### Adopting New Articles of Association of the Company

Our Company has adopted a new set of Articles of Association pursuant to the provisions of Section 14 of the Companies Act, 2013, in the Extra Ordinary General Meeting of the Company held on June 08, 2016.

### Capital raising through equity or debt

For details in relation to our capital raising activities through equity, please refer to the chapter titled "*Capital Structure*" beginning on page 51 of this Prospectus. For details on the debt facilities of our Company, see section "*Statement of Financial Indebtedness*" on page 176 of this Prospectus.

### Time and Cost Overruns in setting up projects

There has been no time / cost overrun in setting up projects by our Company during last five years

### Injunctions or Restraining Orders

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

### Revaluation of Assets

Our company has not revalued its assets since incorporation.

**Defaults or Rescheduling of Borrowings with Financial Institutions/ Banks and Conversion of loans into Equity Shares**

There have been no defaults or rescheduling of borrowings with financial institutions/banks as on the date of this Prospectus. For details regarding conversion of loan into equity in the past, please refer chapter titled “*Capital Structure*” beginning on page 51 of this Prospectus.

**Strikes and Lock-outs**

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

**Shareholders of our Company**

Our Company has 16 shareholders as on the date of filing of this Prospectus. For further details on the shareholding pattern of our Company, please refer to the chapter titled “*Capital Structure*” beginning on page 51 of the Prospectus.

**Changes in the Management**

For details of change in Management, please see chapter titled “*Our Management*” on page 120 of the Prospectus.

**Changes in the Activities of Our Company during the last Five Years**

There has been no change in the business activities of our Company during last five (5) years from the date of this Prospectus which may have had a material effect on the profit/loss account of our Company except for the discontinuation of the manufacturing of energy meter by our company in the year 2015-16.

**Shareholders Agreement**

As on the date of this Prospectus, there are no subsisting shareholders agreements among our shareholders in relation to our Company, to which our Company is a party or otherwise has notice of the same.

**Collaboration Agreements**

Except as disclosed in this Prospectus, our Company is not a party to any collaboration agreements.

**Material Agreement**

Our Company has not entered into any material agreement, other than the agreements entered into by it in normal course of its business.

**OTHER AGREEMENTS:**

**Non Compete Agreement**

Our Company has not entered into any Non-compete Agreement as on the date of filing this Prospectus.

**Joint Venture Agreement**

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

**Strategic Partners**

Our Company does not have any strategic partners as on the date of filing this Prospectus.



### **Financial Partners**

Our Company does not have any financial partners as on the date of filing this Prospectus

### **Corporate Profile of our Company**

For details of our Company's activities, 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 92, 180 and 81 respectively of this Prospectus.

## OUR MANAGEMENT

### Board of Directors

Currently, our Company has 6 (Six) Directors out of which 3 (Three) are Non-Executive Independent Directors. We confirm that the composition of our Board of Directors is as per requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Sr. No.	Name, Father's Name, Age, Designation, Address, Experience, Occupation, Qualification & DIN	Date of Appointment	No. of Equity Shares held & % of Shareholding (Pre Issue)	Other Directorships
1.	<p><b>Mr. Ashok Kumar Agarwal</b> S/o Mr. Vitthal Das Agrawal <b>Age:</b> 60 Years <b>Designation:</b> Chairman cum Managing Director <b>Address:</b> B-103B, Manu Marg, Tilak Nagar, Jaipur-302004, Rajasthan, India <b>Experience:</b> 38 Years <b>Occupation:</b> Business <b>Qualification:</b> Bachelor of Commerce <b>DIN:</b> 00793152</p>	<p>Originally Appointed as Director on Incorporation</p> <p>Re-Designated as Managing Director in AGM dated September 29, 2012</p> <p>Re-appointed as Managing Director in AGM dated September 30, 2013 w.e.f. April 01, 2014 for a period of five years not liable to retire by rotation*</p> <p>Appointed as Chairman on July 16, 2016</p>	<p>525000 Equity Shares</p> <p>[12.14.%]</p>	NIL
2.	<p><b>Mr. Ankit Agrawal</b> S/o Mr. Ashok Kumar Agarwal <b>Age:</b> 34 Years <b>Designation:</b> Whole Time Director <b>Address:</b> B-103B, Manu Marg, Tilak Nagar, Jaipur-302004, Rajasthan, India <b>Experience:</b> 18 Years <b>Occupation:</b> Business <b>Qualification:</b> Bachelor of Commerce <b>DIN:</b> 00793035</p>	<p>Originally Appointed as Additional Executive Director on November 20, 2008</p> <p>Re-Designated as Whole Time Director in AGM dated September 29, 2012</p> <p>Re-appointed as Whole Time Director in AGM dated September 30, 2013 w.e.f. April 01, 2014 for a period of five years liable to retire by rotation*</p>	<p>640880 Equity Shares</p> <p>[14.82%]</p>	Nil

Sr. No.	Name, Father's Name, Age, Designation, Address, Experience, Occupation, Qualification & DIN	Date of Appointment	No. of Equity Shares held & % of Shareholding (Pre Issue)]	Other Directorships
3.	<p><b>Mrs. Neha Agrawal</b> W/o Mr. Ankit Agrawal <b>Age:</b> 33 Years <b>Designation:</b> Executive Director <b>Address:-</b> B-103B, Manu Marg, Tilak Nagar, Jaipur-302004, Rajasthan, India <b>Experience:</b> 2 Years <b>Occupation:</b> Business <b>Qualification:</b> Bachelor of Business Administration <b>DIN:</b> 07540311</p>	<p>Appointed an Additional Non Executive Director on June 28, 2016. Re-appointed as Executive Director on September 08, 2016 liable to retire by rotation.</p>	<p>110000 Equity Shares  [2.54%]</p>	NIL
4.	<p><b>Mr. Devi Shankar Goyal</b> S/o Late Satya Narain Goyal <b>Age:</b> 69 Years <b>Designation:</b> Non Executive Independent Director <b>Address:-</b> 4271, Goyal Bhawan, Rasta Nindar Ravji, Chandpole Bazaar, Jaipur -302001, Rajasthan India <b>Experience:</b> 26 Years <b>Occupation:</b> Vastu Consultant <b>Qualification:</b> Bachelor in Engineering ( Mechanical) <b>DIN:</b> 07559565</p>	<p>Appointed an Additional Non Executive-Independent Director on August 01, 2016 Regularized as Non Executive-Independent Director on September 08, 2016</p>	NIL	NIL
5.	<p><b>Mr. Suresh Kumar Jain</b> W/o Mr. Kapoor Chand Jain <b>Age:</b> 58 Years <b>Designation:</b> Non Executive Independent Director <b>Address:-</b> 402, Mahaveer Nagar, Adarsh Block, Tonk Road, Jaipur – 302015, Rajasthan, India <b>Experience:</b> 34 Years <b>Occupation:</b> Professional <b>Qualification:</b> Bachelor of Commerce, L.L.B. <b>DIN:</b> 07546087</p>	<p>Appointed an Additional Non Executive-Independent Director on August 01, 2016 Regularized as Non Executive-Independent Director on September 08, 2016</p>	NIL	NIL
6.	<p><b>Mrs. Radhika Agarwal</b> D/o Mr Sushil Kumar Sureka <b>Age:</b> 38 Years <b>Designation:</b> Non Executive Independent Director <b>Address:-</b> C-3, Azad Marg, C-Scheme, Jaipur-302001, Rajasthan <b>Experience:</b> Nil <b>Occupation:</b> Business <b>Qualification:</b> Bachelor of Commerce <b>DIN:</b>07579658</p>	<p>Appointed an Additional Non Executive-Independent Director on August 01, 2016 Regularized as Non Executive-Independent Director on September 08, 2016</p>	NIL	NIL

\*Reappointment of Managing Director and Whole Time Director was done to make it in line with Companies Act, 2013.

### Brief Profiles of our Directors

#### **Mr. Ashok Kumar Agarwal Chairman cum Managing Director**

Mr. Ashok Kumar Agarwal, aged 60 years, holds degree of Bachelor of Commerce from University of Rajasthan. He has been on Board since incorporation and currently holding the position as Chairman cum Managing Director. He has an overall experience of around 38 years and 20 years in the field of electrical industry and electrical accessories and is one of the Promoter of our Company. He is instrumental in taking major policy decision of the Company. He is playing vital role in formulating business strategies and effective implementation of the same. He is responsible for the expansion and overall management of the business of our Company. His leadership abilities have been instrumental in leading the core team of our Company.

#### **Mr. Ankit Agrawal, Whole Time Director**

Mr. Ankit Agrawal, aged 34 years is the Whole Time Director of our Company. He holds degree of Bachelor of Commerce from University of Rajasthan. He was included in the Board of our company from 2008 and has been re-designated as Whole Time Director on September 29, 2012. He has 18 years of experience in the field of electrical industry and electrical accessories. He is entrusted with the responsibility to look after the marketing and production department of our Company. He has been instrumental in establishing the procurement & quality assurance standard for the Company. He is providing his learned guidance and mentoring the senior management of our Company to execute and implement future growth strategy.

#### **Mrs. Neha Agrawal, Executive Director**

Mrs. Neha Agrawal, aged 33 years is associated with the Company from 2016 as Additional Non executive Director. She holds the degree of Bachelor of Business Administration from Eastern Institute for Integrated Learning in Management and having an experience of 2 Years in the electrical Industry and electrical accessories. She has been Re-appointed as Executive Director on September 08, 2016. She currently looks after the overall administration of the Company.

#### **Mr. Devi Shankar Goyal, Non Executive Independent Director**

Mr. Devi Shankar Goyal aged 69 years is Non Executive Independent Director of our Company. He has done Bachelors of Engineering (Mechanical). He is having 26 years of experience in the field of Vastu Consultant. He has been appointed as Non-Executive and Independent Director on our Board on August 01, 2016. No remuneration/sitting fee was paid to him for the financial year 2015-16.

#### **Mr. Suresh Kumar Jain, Non Executive Independent Director**

Mr. Suresh Kumar Jain aged 58 years is Non Executive Independent Director of our Company. He has done Bachelors of Commerce and LLB. He is having 34 years of experience. He has been appointed as Non-Executive and Independent Director on our Board on August 01, 2016. No remuneration/sitting fee was paid to him for the financial year 2015-16.

#### **Mrs. Radhika Agarwal, Non Executive Independent Director**

Mrs. Radhika Agarwal aged 38 years is Non Executive Independent Director of our Company. She has done Bachelors of Commerce. She has been appointed as Non-Executive and Independent Director on our Board on August 01, 2016. No remuneration/sitting fee was paid to her for the financial year 2015-16.

### Nature of any family relationship between our Directors

The present Directors in our Board are related to each other, details of which are as follows:-

Sr. No.	Name of Director	Name of Director and (Relation with Director)
1.	Mr. Ashok Kumar Agarwal	Mr. Ankit Agrawal (son) and Mrs. Neha Agrawal (Daughter in law)
2.	Mr. Ankit Agrawal	Mr. Ashok Kumar Agarwal (Father) and Mrs. Neha Agrawal (Wife)
3.	Mrs. Neha Agrawal	Mr. Ankit Agrawal (Husband) and Mr. Ashok Kumar Agarwal (Father in Law)

### Arrangements with major Shareholders, Customers, Suppliers or Others:

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.

### Common directorships of the Directors in companies whose shares are/were suspended from trading on the BSE and/ or the NSE for a period beginning from five (5) years prior to the date of this Prospectus:

None of our Directors is / was a Director in any listed company, during the last five years from the date of filing of this Prospectus, whose shares have been / were from being traded on the BSE Limited and / or National Stock Exchange of India Limited.

### Common directorships of the Directors in listed companies that have been/were delisted from stock exchanges in India:

Further, none of our Directors is / was a Director of any listed company which has been / was delisted from any recognized Stock Exchange.

### Details of Borrowing Powers of Directors

Our Company has passed a special resolution in the Extra Ordinary General Meeting of the members held on January 09, 2014 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. 100.00 Crores (Rupees One Hundred Crores only).

### Compensation of our Managing Director, Whole-time Director & Executive Director

The compensation payable to our Managing Director, Whole-time Directors & Executive director 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, Whole-time Director & Executive Director:

Particulars	Mr. Ashok Kumar Agarwal	Mr. Ankit Agrawal	Mrs. Neha Agrawal
Appointment/Change in Designation	Appointed as Managing Director meeting dated September 29, 2012	Appointed as Whole Time Director meeting dated September 29, 2012	Appointed an Additional Non Executive Director on June 28, 2016. Re-appointed as Executive Director on September 08, 2016 liable to retire by rotation.
Designation	Chairman & Managing Director	Whole Time Director	Executive Director
Term of Appointment	5 years Not Liable to Retire by rotation	5 years Liable to Retire by rotation	Liable to retire by rotation

Remuneration	Upto ₹ 2,00,000 /- pm	Upto ₹ 1,50,000 /- pm	Upto ₹ 75,000 /- pm
Compensation paid in the year 2015-16	₹ 75,000/- p.m.	₹ 50,000/-p.m.	Nil

### 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 directors from time to time, for attending a meeting of the Board or a Committee thereof. Our Board of Directors have resolved in their meeting dated August 01, 2016 for payment of an amount as approved by the Board to all Non-executive Directors and Independent Director for attending each such meeting of the Board or Committee thereof.

### Shareholding details of our Directors as on the date of this Prospectus.

Sr. No.	Name of the Director	No. of Shares Held	Holding in %
1.	Mr. Ashok Kumar Agarwal	5,25,000	12.14
2.	Mr. Ankit Agrawal	6,40,880	14.82
3.	Mrs. Neha Agrawal	1,10,000	2.54
	<b>Total</b>	<b>12,75,880</b>	<b>29.51</b>

We do not have any subsidiary and associate company as defined under Section 2(6) of the Companies Act, 2013.

None of the Independent Directors of Company holds any Equity Shares of our Company as on the date of this 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 fees payable to them for attending meetings of the Board of Directors or a Committee thereof as well as to the extent of other 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 page 120 of this 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.

All Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any Company in which they hold Directorships or any partnership firm in which they are partners.

Further except as provided hereunder, our Directors are not interested in our Company in any manner:

Sr. No.	Name of Director	Interest and nature of interest
1.	Ankit Agrawal	1.The part of the Registered office of our company situated at 7 K.M. From

		<p>Chaksu, Khotkawda Road, Village Badodiya, Tehsil Chaksu, Tonk Road, Jaipur-303901, Rajasthan, India (Khasra no 157) is owned by Mr. Ankit Agrawal promoter of our company and company had taken the same on rent vide rent agreement dated July 01, 2016 at a consideration of ₹ 25000 per month.</p> <p>2. Mr. Ankit Agrawal has extended his personal guarantee against the total borrowings of ₹ 3690 lakhs from Federal Bank, ₹ 20 Lakhs from Hero Fincorp Ltd, ₹ 115 lakhs from L&amp;T Finance and ₹ 300 Lakhs from SIDBI.</p> <p>3. Mr. Ankit Agrawal has provided security of his personal property situated at Khasra No 157 Khotkawda Road, Village Badodiya, Tehsil Chaksu, Tonk Road, Jaipur-303901 against the total borrowing ₹ 3690 lakhs taken by our company from Federal Bank.</p>
2.	Mr. Ashok Kumar Agarwal	1. Mr. Ashok Kumar Agarwal has extended his personal guarantee against the total borrowings of ₹ 3690 lakhs from Federal Bank, ₹ 20 Lakhs from Hero Fincorp Ltd, ₹ 115 lakhs from L&T Finance and ₹ 300 Lakhs from SIDBI.
3.	Mrs. Neha Agarwal	Mrs. Neha Agarwal has extended her personal guarantee against the total borrowings of ₹ 3690 lakhs from Federal Bank and ₹ 20 Lakhs from Hero Fincorp Ltd.

Except as stated otherwise in this Prospectus, our Company has not entered into any Contract, Agreements or Arrangements during the preceding two years from the date of the 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.

Except as stated in this section "**Our Management**" or the section titled "**Financial information of the Company - Related Party Transactions**" beginning on page 120 and 146 respectively of this Prospectus, and except to the extent of shareholding in our Company, our Directors do not have any other interest in our business.

Our Directors have no interest in any property acquired by our Company within two (2) years of the date of this Prospectus. Further each of the Directors is interested as relatives of each other.

#### Changes in Board of Directors in Last 3 Years

Sr. No.	Name	Date of Appointment / Re-appointment	Reasons for Change
1.	Mr. Shankar Lal Agarwal	Resigned from Directorship w.e.f. March 21, 2014	Due to Personal Reason
2.	Mr. Ashok Kumar Agarwal	Re-appointed as Managing Director w.e.f. April 01, 2014	As per the requirement of Section 196 of the Companies Act, 2013
3.	Mr. Ankit Agrawal	Re-appointed as Whole-time Director w.e.f. April 01, 2014	As per the requirement of Section 196 of the Companies Act, 2013
4.	Mr. Purshottam Kumar Gupta	Resigned from Directorship w.e.f. January 07, 2016	Due to Personal Reason
5.	Mr. Ashok Kumar Agarwal	Appointed as chairman in meeting dated July 16, 2016	To ensure better corporate governance
6.	Mr. Chandra Prakash Agarwal	Resigned from directorship in meeting dated June 28, 2016	Due to Personal Reason
7.	Mr. Vitthal Das Agrawal	Resigned from directorship in meeting dated June 28, 2016	Due to Personal Reason
8.	Mrs. Santosh Agarwal	Resigned from directorship in meeting dated June 28, 2016	Due to Personal Reason
9.	Mrs. Neha Agarwal	Appointed as Additional Non Executive Director in meeting dated June 28, 2016	To broad the Board
10.	Mr. Devi Shankar Goyal	Appointment as Additional Non Executive Independent Director in	To ensure better corporate governance

		meeting dated August 01, 2016.	
11.	Mr. Suresh Kumar Jain	Appointment as Additional Non Executive Independent Director in meeting dated August 01, 2016.	To ensure better corporate governance
12.	Mrs. Radhika Agarwal	Appointment as Additional Non Executive Independent Director in meeting dated August 01, 2016.	To ensure better corporate governance
13.	Mrs. Neha Agrawal	Re-Appointed as Executive Director in meeting dated September 08, 2016	For better management of the Company
14.	Mr. Devi Shankar Goyal	Regularised as Non Executive Independent Director in meeting dated September 08, 2016.	To ensure better corporate governance
15.	Mr. Suresh Kumar Jain	Regularised as Non Executive Independent Director in meeting dated September 08, 2016.	To ensure better corporate governance
16.	Mrs. Radhika Agarwal	Regularised as Non Executive Independent Director in meeting dated September 08, 2016.	To ensure better corporate governance

## 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 in respect of corporate governance will be applicable to our Company immediately upon the listing of our Company's Equity Shares on the SME Platform of BSE. 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 have been complied with.

Our Board of Directors consist of Six (6) directors of which three (3) are Non-Executive Independent Directors (as defined under Regulation 16(1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015), which constitutes 50% of the Board of Directors and one women Director, which is in compliance with the requirements of Regulation 17 of SEBI Listing Regulations, 2015. Our Company has constituted the following committees:

### 1. Audit Committee

Our Company has constituted an Audit Committee ("Audit Committee"), vide Board Resolution dated August 01, 2016, 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 BSE, The constituted Audit Committee comprises following members:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Suresh Kumar Jain	Chairman	Non Executive Independent director
Mr. Devi Shankar Goyal	Member	Non Executive Independent director
Mr. Ashok Kumar Agarwal	Member	Chairman and 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 furnish clarifications to the shareholders in any matter relating to accounts. 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 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. Meeting of the Audit Committee shall be called by at least seven day's notice in advance.

**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 shall be subject to review by the audit committee.
- f) Statement of deviations:
  - Quarterly 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).

## 2. Stakeholder's Relationship Committee

Our Company has formed the Stakeholders Relationship Committee as per Regulation 20 of SEBI Listing Regulation, 2015 vide Resolution dated August 01, 2016. The constituted Stakeholders Relationship Committee comprises the following:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Devi Shankar Goyal	Chairman	Non Executive Independent director
Mr. Suresh Kumar Jain	Member	Non Executive Independent director
Mr. Ashok Kumar Agarwal	Member	Chairman Cum Managing director

The Company Secretary of our Company shall act as a Secretary to the Stakeholder Relationship Committee. The scope and function of the Stakeholder Relationship Committee and its terms of reference shall include the following:

**A. Tenure:** The Stakeholder 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.

**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 August 01, 2016. The Nomination and Remuneration Committee comprise the following:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Suresh Kumar Jain	Chairman	Non Executive Independent director
Mr. Devi Shankar Goyal	Member	Non Executive Independent director
Mrs. Radhika Agarwal	Member	Non Executive Independent 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 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.

**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 BSE. 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 August 01, 2016 have approved and adopted the policy on insider trading in view of the proposed public issue.

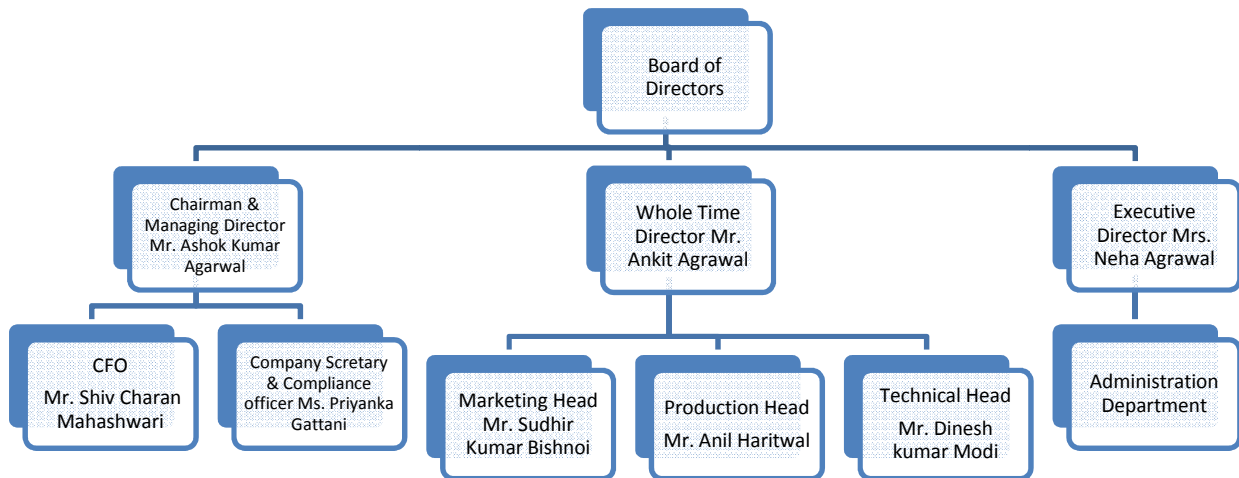
Ms. Priyanka Gattani, Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the Board.

**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 BSE. 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 BSE. The Board of Directors at their meeting held on August 01, 2016 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.

**MANAGEMENT ORGANISATION STRUCTURE**

The following chart depicts our Management Organization Structure:-



## 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	Annual Compensation paid for F.Y. ended 2016 (in ₹ Lacs)	Overall experience (in years)	Previous employment
Mr. Ashok Kumar Agarwal <b>Designation</b> – Chairman cum Managing Director <b>Educational Qualification</b> – Bachelor of Commerce	60 Years	Since Incorporation	9.00	38	M/s Rajasthan Fitting House P Ltd.
Mr. Ankit Agrawal <b>Designation</b> – Whole Time Director <b>Educational Qualification</b> – Bachelor of Commerce	34 Years	2008	6.00	18	M/s Rajasthan Fitting House P Ltd.
Mrs. Neha Agrawal <b>Designation</b> – Executive Director <b>Educational Qualification</b> – Bachelor of Business Administration (Hons.)	33 Years	2016	--	2	--
Mr. Sudhir Kumar Bishnoi <b>Designation:</b> Marketing Manger <b>Educational Qualification:</b> Master in Business Administration	35 Years	2005	4.32	16	Marg Compusoft Pvt. Ltd.
Mr. Anil Haritwal <b>Designation:</b> Production Manager <b>Educational Qualification:</b> Diploma in Mechanical Engineering	49 Years	2008	3.00	25	J C Auto Fab., Faridabad
Mr. Dinesh Kumar Modi <b>Designation:</b> Technical Head <b>Educational Qualification:</b> S.S.C	49 Years	1994	5.94	26	--
Ms. Priyanka Gattani <b>Designation:</b> Company Secretary and Compliance Officer <b>Educational Qualification:</b> Bachelor of Commerce, Master of Commerce, L.L.B and Associate Company Secretary	24 Years	2016	--	1.5	Lawreshwar Polymers Limited
Mr. Shiv Charan Maheshwari <b>Designation:</b> Chief Financial Officer <b>Educational Qualification:</b> B.Com (Hons.), LLB, CAIIB, Certificate in Industrial Finance, Diploma in Banking & Finance, Diploma in Management.	61 years	2016	--	39	ICICI Bank Limited

## BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL

**Mr. Ashok Kumar Agarwal Chairman cum Managing Director**

Mr. Ashok Kumar Agarwal, aged 60 years, holds degree of Bachelor of Commerce from University of Rajasthan. He has been on Board since incorporation and currently holding the position as Chairman cum Managing Director. He has an overall experience of around 38 years and 20 years in the field of electrical industry and electrical accessories and is one of the Promoter of our Company. He is instrumental in taking major policy decision of the Company. He is playing vital role in formulating business strategies and effective implementation of the same. He is responsible for the expansion and overall management of the business of our Company. His leadership abilities have been instrumental in leading the core team of our Company.

**Mr. Ankit Agrawal, Whole Time Director**

Mr. Ankit Agrawal, aged 34 years is the Whole Time Director of our Company. He holds degree of Bachelor of Commerce from University of Rajasthan. He was included in the Board of our company from 2008 and has been re-designated as Whole Time Director on September 29, 2012. He has 18 years of experience in the field of electrical industry and electrical accessories. He is entrusted with the responsibility to look after the marketing and production department of our Company. He has been instrumental in establishing the procurement & quality assurance standard for the Company. He is providing his learned guidance and mentoring the senior management of our Company to execute and implement future growth strategy.

**Mrs. Neha Agrawal, Executive Director**

Mrs. Neha Agrawal, aged 33 years is associated with the Company from 2016 as Additional Non executive Director. She holds the degree of Bachelor of Business Administration from Eastern Institute for Integrated Learning in Management and having an experience of 2 Years in the electrical Industry and electrical accessories. She has been Re-appointed as Executive Director on September 08, 2016. She currently looks after the overall administration of the Company.

**Mr. Sudhir Kumar Bishnoi, Marketing Manager**

Mr. Sudhir Kumar Bishnoi, aged 35 years is Master in Business Administration and currently working as the Marketing Manager of the Company. He has an overall experience in the field of marketing of around 16 years of experience. He is very dynamic and looks after the sales and marketing operation of our company along with Mr. Ankit Agrawal.

**Mr. Anil Haritwal, Production Manager**

Mr. Anil Haritwal, aged 49 years is the Production Manager. He holds a diploma in Mechanical Engineering. He takes care of the production process and management of the production activities of our Company. He has 25 years of experience in his functional area.

**Mr. Dinesh Kumar Modi, Technical Head**

Mr. Dinesh Modi, aged 49 years is the technical Head of our Company. He has around 26 years of experience in the field of Technical related matters.

**Ms. Priyanka Gattani, Company Secretary and Compliance Officer**

Ms. Priyanka Gattani, aged 24 years is Company Secretary and Compliance officer of our Company. She is a qualified Company Secretary from Institute of Company Secretaries of India. She has around 1.5 years of experience in the field of secretarial matters. She looks after the overall corporate governance and secretarial matters of our Company. She was not paid in financial year 2015-16.

**Mr. Shiv Charan Maheshwari, Chief Financial Officer**

Mr. Shiv Charan Maheshwari, aged 61 years is the Chief Financial Officer of our Company. He holds Bachelor Degree of Commerce, LLB, CAIIB, Certificate in Industrial Finance, Banking & Finance and Diploma in

Management. He takes care of all accounts, banking, taxation and financial activities of our Company. He has 39 years of experience in his functional area and associated with us from 2016. He has been appointed as Chief Financial Officer of our Company dated July 01, 2016. He was not paid in financial year 2015-16.

We confirm that:

- a. Except our Company Secretary cum Compliance Officer who has been appointed on probation for a period of 3 months, all the persons named as our Key Managerial Personnel above are the permanent employees of our Company.
- b. 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. Ashok Kumar Agarwal and Mr. Ankit Agrawal are related to each other
- d. None of the above mentioned Key Managerial Personnel are related to each other except as mention in this section.
- e. In respect of all above mentioned Key Managerial Personnel there has been no contingent or deferred compensation accrued for the year ended March 2016.
- f. 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.
- g. Our Company does not have any bonus/profit sharing plan for any of the Key Managerial Personnel.
- h. None of the Key Managerial Personnel in our Company hold any shares of our Company as on the date of filing of this Prospectus except as under:-

Sr. No.	Name of the KMP	No. of Shares Held
1.	Mr. Ashok Kumar Agarwal	5,25,000
2.	Mr. Ankit Agrawal	6,40,880
3.	Mrs. Neha Agrawal	1,10,000

- i. Presently, we do not have ESOP/ESPS scheme for our employees.
- j. The turnover of KMPs is not high, compared to the Industry to which our belongs.

**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:

There have been no changes in the Key Managerial Personnel of our Company during the last 3 (three) year except as stated below:

Sr. No.	Name	Designation	Date of Appointment/Cessation/Promotion/Transfer	Reasons
1.	Ms. Priyanka Gattani	Company Secretary & Compliance Officer	July 01, 2016	Appointment
2.	Mr. Shiv Charan Maheshwari	Chief Financial Officer	July 01, 2016	Appointment
3.	Mr. Ashok Kumar Agarwal	Managing Director	April 01, 2014	Re appointment
4.	Mr. Ankit Agrawal	Whole Time Director	April 01, 2014	Re appointment
5.	Mr. Ashok Kumar Agarwal	Chairman	July 16, 2016	Appointment
6.	Mrs. Neha Agrawal	Executive Director	September 08, 2016	Re-appointment

### Interest of Our Key Managerial Persons

S.No.	Name of Director	Interest and nature of interest
1.	Ankit Agrawal	<ol style="list-style-type: none"> <li>The part of the registered office of our company situated at 7 K.M. From Chaksu, Khotkawda Road, Village Badodiya, Tehsil Chaksu, Tonk Road, Jaipur-303901, Rajasthan, India (Khasra no 157) is owned by Mr. Ankit Agrawal promoter of our company and company had taken the same on rent vide rent agreement dated July 01, 2016 at a consideration of ₹ 25000 per month.</li> <li>Mr. Ankit Agrawal has extended his personal guarantee against the total borrowings of ₹ 3690 lakhs from Federal Bank, ₹ 20 Lakhs from Hero Fincorp Ltd, ₹ 115 lakhs from L&amp;T Finance and ₹300 Lakhs from SIDBI.</li> <li>Mr. Ankit Agrawal has provided security of his personal property situated at Khasra No 157 Khotkawda Road, Village Badodiya, Tehsil Chaksu, Tonk Road, Jaipur-303901 against the total borrowing ₹ 3940 lakhs taken by our company from Federal Bank.</li> </ol>
2.	Mr. Ashok Kumar Agarwal	Mr. Ashok Kumar Agarwal has extended his personal guarantee against the total borrowings of ₹ 3690 lakhs from Federal Bank, ₹ 20 Lakhs from Hero Fincorp Ltd, ₹ 115 lakhs from L&T Finance and ₹ 300 Lakhs from SIDBI.
3.	Mrs. Neha Agarwal	Mrs. Neha Agarwal has extended her personal guarantee against the total borrowings of ₹ 3690 lakhs from Federal Bank and ₹ 20 Lakhs from Hero Fincorp Ltd.

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 and except as mention above our key managerial personal are interested in our Company.

Except as provided in this Prospectus, we have not entered into any contract, agreement or arrangement during the preceding 2 (two) years from the date of this 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 “*Annexure R Statement of Related Party Transaction*” page 171 and Personal Guarantee towards Financial facilities of our Company please refer to “*Statement of Financial Indebtedness*” page 176 of the Prospectus.

### OTHER BENEFITS TO OUR KEY MANAGERIAL PERSONNEL

Except as stated in this 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 92 of this Prospectus.






### OUR PROMOTERS & PROMOTER GROUP

Mr. Ashok Kumar Agarwal, Mr. Ankit Agrawal & Mrs. Neha Agrawal are the Promoters of our Company

As on the date of this Prospectus, Mr. Ashok Kumar Agarwal holds 5,25,000 Equity Shares, Mr. Ankit Agrawal holds 6,40,880 Equity Shares and Mrs. Neha Agrawal holds 1,10,000 equity shares 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

#### Details of our Promoters:-

	<b>Mr. Ashok Kumar Agarwal, Chairman &amp; Managing Director</b>	
	<b>Qualification</b>	B.Com
	<b>Age</b>	60 Years
	<b>Address</b>	B-103B, Manu Marg, Tilak Nagar, Jaipur-302004, Rajasthan, India
	<b>Experience</b>	38 years
	<b>Occupation</b>	Business
	<b>Permanent Account Number</b>	ABWPA2581M
	<b>Passport Number</b>	G9453835
	<b>Name of Bank &amp; Bank Account Details</b>	The Federal Bank Ltd. Account no. 13440100052300
	<b>Voter Identification Card Number</b>	IMA/0648105
	<b>Aadhar Card Number</b>	728754227088
	<b>No. of Equity Shares held in RMC [% of Shareholding (Pre Issue)]</b>	5,25,000 Equity Shares of ₹ 10 each; 12.14% of Pre- Issue Paid up capital
	<b>DIN</b>	00793152
	<b>Other Interests</b>	<b>Directorships in other Companies:</b> Nil <b>Partnership Firms:-</b> Nil <b>Proprietorship:-</b> Nil <b>HUF:-</b> 1. Vitthal Das Agarwal HUF (Member) 2. Ashok Kumar Agarwal HUF (Karta) <b>Trust:-</b> Shree Gopal Public Trust Sethani ka Bagh
		<b>Mr. Ankit Agrawal – Whole Time Director</b>
<b>Qualification</b>		B. Com
<b>Age</b>		34 Years
<b>Address</b>		B-103B, Manu Marg, Tilak Nagar, Jaipur-302004, Rajasthan, India
<b>Experience</b>		18 years
<b>Occupation</b>		Business
<b>Permanent Account Number</b>		ADNPA3441K
<b>Passport Number</b>		G6974340
<b>Name of Bank &amp; Bank Account Details</b>		The Federal Bank Ltd. Account no. 13440100052102
<b>Voter Identification Card Number</b>		IMA/0648113
<b>Aadhar Card Number</b>		660033216661
<b>No. of Equity Shares held in RMC &amp; [% of Shareholding (Pre Issue)]</b>	6,40,880 Equity Shares; 14.82% of Pre- Issue Paid up capital	
<b>DIN</b>	00793035	

	<b>Other Interests</b>	<b>Directorships in other Companies:</b> <b>Partnership Firms:-</b> Nil <b>Proprietorship:-</b> Nil <b>HUF:-</b> 1. Vitthal Das Agarwal HUF (Member) 2. Ashok Kumar Agarwal HUF (Member) 3. Ankit Agrawal HUF (Karta) <b>Trust:-</b> Shree Gopal Public Trust Sethani ka Bagh
	<b>Mrs. Neha Agrawal– Executive Director</b>	
	<b>Qualification</b>	B.B.A
	<b>Age</b>	33 Years
	<b>Address</b>	B-103B, Manu Marg, Tilak Nagar, Jaipur-302004, Rajasthan, India
	<b>Experience</b>	2 years
	<b>Occupation</b>	Business
	<b>Permanent Account Number</b>	AEPPJ5396H
	<b>Passport Number</b>	N3817192
	<b>Name of Bank &amp; Bank Account Details</b>	The Federal Bank Ltd. Account no. 13440100052110
	<b>Voter Identification Card Number</b>	IMA/0648097
	<b>Aadhar Card Number</b>	420484415268
	<b>No. of Equity Shares held in RMC &amp; [% of Shareholding (Pre Issue)]</b>	1,10,000 Equity Shares; 2.54% of Pre-Issue Paid up capital
	<b>DIN</b>	07540311
	<b>Other Interests</b>	<b>Directorships in other Companies:</b> Nil <b>Partnership Firms:-</b> Nil <b>Proprietorship:-</b> 1. Synergy Solar System <b>HUF:-</b> 1. Vitthal Das Agarwal HUF (Member) 2. Ashok Kumar Agarwal HUF (Member) 3. Ankit Agrawal HUF (Member) <b>Trust:-</b> Nil

### Declaration

We confirm that the Permanent Account Number, Bank Account Number and Passport Number of the Promoter have been submitted to BSE Limited at the time of filing of Prospectus with them.

*Present Promoters of our Company are Mr. Ashok Kumar Agarwal, Mr. Ankit Agrawal and Mrs. Neha Agrawal. However the original subscribers to the Memorandum of Association of our Company were Mr. Ashok Kumar Agarwal, Mr. Vandeeep Kumar and Mr. Vitthal Das Agrawal. For details of the shareholding acquired by the current promoters of our Company refer the capital buildup of our promoter under chapter “Capital Structure” beginning on page 51 of the Prospectus.*

### Undertaking/ Confirmations

None of our Promoters or Promoter Group or Group Companies or person in control of our Company has been

- 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
- 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 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.

### Common Pursuits/ Conflict of Interest

None of our Promoter or Group company is engaged in the same line of business as our Company as on date of this Prospectus. For further details of our Promoter Group refer to Section titled “*Our Promoter & Our Promoter Group*” on page 135 of the 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 in promotion of Our Company

The Promoters are interested to the extent of their shareholding in the Company, and any dividend and distributions which may be made by the Company in future. The related party transactions are disclosed in “*Financial Statements*” and “*Our Management – Interest of Promoters and Directors*” and “*Our Management – Interest of Key Managerial Personnel*” on pages 146, 120 and 120 of this Prospectus, respectively.

### Interest in the property of Our Company

Except as mentioned hereunder, our promoters do not have any other interest in any property acquired by our Company in a period of two years before filing of this Prospectus or proposed to be acquired by us till date of filing the Prospectus with RoC.

Name of Promoter	Interest and nature of interest
Ankit Agrawal	The part of the Registered office of our company situated at 7 K.M. From Chaksu, Khotkawda Road, Village Badodiya, Tehsil Chaksu, Tonk Road, Jaipur-303901, Rajasthan, India (Khasra no 157) is owned by Mr. Ankit Agrawal promoter of our company and company had taken the same on rent vide rent agreement dated July 01, 2016 at a consideration of ₹ 25000 per month.

### Interest as members of the Company

Our Promoters are interested to the extent of their shareholding and the dividend declared in relation to such shareholding, if any, by our Company. For further details in this regard, please refer to “*Capital Structure*” on page 51 of this Prospectus

### Other Interest of Promoters

Our Promoters Mr. Ashok Kumar Agarwal, Mr. Ankit Agrawal and Mrs. Neha Agrawal are interested to the extent of their shareholding and shareholding of their relatives in our Company. Our Promoter namely Mr. Ashok Kumar Agarwal who is the Managing Director of our Company and Mr. Ankit Agrawal who is the Whole Time Director of our Company may 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. Our Promoter may also be deemed interested to the extent of any unsecured loan given & taken by them to/from our Company.

Further except as provided hereunder, our promoter are not interested in our Company in any manner:

Sr. No.	Interest and nature of interest
1.	All the Promoters of our Company are related (family members) to each other.
2.	Our Promoters Mr Ankit Agrawal and Mr. Ashok Kumar Agarwal have extended their personal guarantee against the total borrowings of ₹ 3690 lakhs from Federal Bank, ₹ 20 Lakhs from Hero Fincorp Ltd, ₹ 115 lakhs from L&T Finance and ₹ 300 Lakhs from SIDBI.
3.	Our Promoter Mrs Neha Agarwal has extended her personal guarantee against the total borrowings of ₹ 3690 lakhs from Federal Bank and ₹ 20 Lakhs from Hero Fincorp Ltd.
4.	Relative of our Promoters Mr Vitthal Das Agrawal has extended his personal guarantee against the total borrowings of ₹ 240 lakhs from Federal Bank and ₹ 300 Lakhs from SIDBI.
5.	Relative of our Promoters Mrs. Santosh Agarwal has extended her personal guarantee against the total borrowings of ₹ 300 and Rs 20 Lakhs from SIDBI and Hero Fincorp Ltd respectively. Relative of our Promoters Mrs. Parwati Bai Agarwal has extended her personal guarantee against the total borrowings of Rs 20 Lakhs from Hero Fincorp Ltd.
6.	Our promoter Mr. Ankit Agrawal have provided security of his personal property situated at Khasra No 157 Khotkawda Road, Village Badodiya, Tehsil Chaksu, Tonk Road, Jaipur-303901 against the total borrowing ₹ 3690 lakhs taken by our company from Federal Bank.

For transaction in respect of loans and other monetary transaction entered in past please refer Annexure R on “**Related Party Transactions**” on page 171 forming part of “**Financial Information of the Company**” of this Prospectus.

### **Related Party Transactions**

For the transactions with our Promoter Group entities please refer to section titled “**Annexure - R” Related Party Transactions**” on page 171 of this Prospectus.

Except as stated in “**Annexure - R” Related Party Transactions**” beginning on page 171 of the Prospectus, and as stated therein, our Promoters or any of the Promoter Group Entities do not have any other interest in our business.

### **Payment or Benefit to Promoters of Our Company**

For details of payments or benefits paid to our Promoters, please refer to the paragraph “**Compensation of our Managing Director and Whole - time Directors**” in the chapter titled “**Our Management**” beginning on page 120 of this Prospectus. Also refer Annexure R on “**Related Party Transactions**” on page 171 forming part of “**Financial Information of the Company**” and Paragraph on “**Interest of Promoters**” on page 135 of this Prospectus.

### **Companies / Firms from which the Promoters have disassociated themselves in the last (3) three years**

Except as mentioned below, 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 Prospectus:-

#### **Ashok Kumar Agarwal**

Name of Company	Reason of Disassociation
Acme Metawires Private Limited	Resignation from Directorship Mr. Ashok Kumar Agarwal was appointed as Director in Acme Metawires Pvt. Ltd. on 15.03.2010 but due to preoccupation he has resigned from this company on 21.07.2013
Balex Private Limited	Resignation from Directorship Mr. Ashok Kumar Agarwal was appointed as Director in Balex Pvt. Ltd. on 24.08.2001 but due to preoccupation he has resigned from this company on

July 09, 2016

### Other ventures of our Promoters

Save and except as disclosed in this section titled “*Our Promoters & Our Promoter Group*” and “*Our Group Company*” beginning on page 135 & 141 respectively of this Prospectus, there are no ventures promoted by our Promoters in which they have any business interests/ other interests as on date of this Prospectus.

### Litigation details pertaining to our Promoters

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 194 of this Prospectus.

### **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(zb) of the SEBI (ICDR) Regulations, 2009, the Natural persons who are part of the Promoter Group (due to their relationship with the Promoters), other than the Promoters, are as follows:

<b>Relationship</b>	<b>Mr. Ashok Kumar Agarwal</b>	<b>Mr. Ankit Agrawal</b>	<b>Mrs. Neha Agrawal</b>
<b>Father</b>	Vitthal Das Agrawal	Ashok Kumar Agarwal	Ajay Kumar Jain #
<b>Mother</b>	Parwati Bai Agarwal	Santosh Agarwal	Kusum Jain #
<b>Spouse</b>	Santosh Agarwal	Neha Agrawal	Ankit Agrawal
<b>Brother</b>	Rajendra Kumar Agrawal	--	Prithiviraj Jain #
<b>Sister</b>	Kamla Devi Agrawal # Sushila Devi Gupta # Anita Devi Gupta # Usha Agrawal # Madhu Kandoi #	Atika Agarwal	Yasshaa Agrwal #
<b>Son</b>	Ankit Agrawal	Aaryaman Agarwal	Aaryaman Agarwal
<b>Daughter</b>	Atika Agarwal	Shreya Agarwal	Shreya Agarwal
<b>Spouse's Father</b>	Gordhan Das Agrawal #	Ajay Kumar Jain #	Ashok Kumar Agarwal
<b>Spouse's Mother</b>	Revti Devi Agrawal #	Kusum Jain #	Santosh Agarwal
<b>Spouse's Brother</b>	Mahavir Prasad Agrawal # Shankar Lal Agrawal # Kamal Kant Agrawal #	Prithiviraj Jain #	--
<b>Spouse's Sister</b>	Gayatri Tantia # Sushila Agrawal #	Yasshaa Agrwal #	Atika Agarwal

# referred herein as other related person.

The persons listed in the above table are relatives of our Promoters and by virtue of the same fall within the purview of the term “Promoter Group”, as contemplated under Regulation 2(1)(zb) of SEBI (ICDR) Regulations. However, except Mr. Vitthal Das Agrawal, Mrs. Parwati Bai Agarwal, Mrs. Santosh Agarwal, Mrs. Atika Agarwal, Mr. Rajendra Kumar Agrawal, Aaryaman Agarwal and Shreya Agarwal, our Company currently do not maintain any financial relationship, arrangements, dealings with “other related persons” as mentioned above in the normal course as would have been perceived by virtue of their relationship. None of the aforesaid “other related persons” have any interest in the shareholding of our Company. Further our promoters vide a declaration cum affidavit dated July 18, 2016 have submitted that the information in relation to the business and financial interest held by the aforesaid relatives is not accessible for the purpose of disclosure in this Prospectus. Accordingly, the disclosure of entities for “other related persons” i.e. other than Mr. Vitthal Das Agrawal, Mrs. Parwati Bai Agarwal, Mrs. Santosh Agarwal,

Mrs. Atika Agarwal, Mr. Rajendra Kumar Agarwal, Aaryaman Agarwal and Shreya Agarwal are not included under the disclosure relating to the Promoter Group as mentioned on page 135 of this Prospectus.

## 2. Corporate Entities or Firms forming part of the Promoter Group

As per Regulation 2(zb) of the SEBI (ICDR) Regulations, 2009, the following entities would form part of our Promoter Group:

Nature of Relationship	Entity
Any Body corporate in which ten percent or more of the equity share capital is held by the promoters or an immediate relative of the promoters or a firm or HUF in which the promoter or any one or more of his immediate relative is a member.	Nil
Any Body corporate in which a body corporate as provided above holds ten percent or more of the equity share capital	Nil
Any HUF or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than ten percent of the total	<p><b>Proprietorship:-</b> M/s Synergy Solar System ( Proprietor Neha Agrawal)</p> <p><b>Firm:-</b> Nil</p> <p><b>HUF:-</b></p> <ol style="list-style-type: none"> <li>1. Vitthal Das Agarwal HUF</li> <li>2. Ashok Kumar Agarwal HUF</li> <li>3. Ankit Agrawal HUF</li> </ol> <p><b>Trust:-</b> Shree Gopal Public Trust Sethani ka Bagh</p>

### OUR GROUP COMPANY

As per the SEBI ICDR Regulations, for the purpose of identification of Group Companies, our Company has considered companies covered under the applicable accounting standard, Accounting Standard 18 issued by the Institute of Chartered Accountants of India in the Restated Financial Statements. Further, pursuant to a resolution of our Board dated August 01, 2016, for the purpose of disclosure in relation to Group Companies in connection with the Issue, a company shall be considered material and disclosed as a Group Company if said company is a member of the Promoter Group as per Regulation 2(zb) of SEBI(ICDR), 2009 as amended and our Company has entered into one or more transactions with such company in the preceding financial year, as the case may be, cumulatively exceeding 5% of the total revenue of the Company for such financial year, as the case may be. Following companies were considered to be material by our Board to be disclosed as a Group Company of our Company:-

Acme Metawires Private limited

As on the date of this Prospectus except as stated above, our Board has determined that there are no other companies connected to our Promoters or the Promoter Group which are material to our Company having regard to the value of the transactions that our Company has entered into in the last five years with such entities, and the limited dependence that our Company has on these related parties from a business continuity perspective.

The details of our Group Companies are provided below:

#### *1. Acme Metawires Private Limited:-*

<b>Brief Description of Business</b>	To do the business of wire drawers, manufacture of copper, brass, zinc wires strips and wires of all ferrous and non ferrous metals and their compounds and to cover these wire with rubber, plastic or other non conducting materials.		
<b>Date of Incorporation</b>	September 09, 2009		
<b>CIN</b>	U28999RJ2009PTC029929		
<b>PAN</b>	AAHCA9915A		
<b>Registered Office Address</b>	Khasra No. 193, Village Bhadrajpura Garudwasi Road Chaksu Jaipur Rajasthan-303901		
<b>Board of Directors*</b>	<b>Name</b>	<b>DIN</b>	
	Ishwar Prasad Agarwal	00021832	
	Amit Kumar Agarwal	01214667	
	Atika Agrawal	06514028	
	<i>(Rs. in Lacs, rounded off except per share data)</i>		
<b>Audited Financial Information**</b>	<b>For The Year Ended</b>		
	<b>March 31, 2016</b>	<b>March 31, 2015</b>	<b>March 31, 2014</b>
<b>Paid Up Equity Share Capital</b>	8.00	8.00	8.00
<b>Reserves and Surplus (excluding Revaluation Reserve and Less Miscellaneous Expenses, if any )</b>	249.54	272.96	259.83
<b>Net worth</b>	257.54	280.96	267.83
<b>Income including other income and exceptional items</b>	1986.03	2107.94	1648.23
<b>Profit/ (Loss) after tax</b>	(23.42)	13.12	3.32
<b>Earnings per share (face value of Rs. 10 each)</b>	(29.27)	16.41	4.15
<b>Net asset value per share (Rs)</b>	321.93	351.20	334.79

Shareholding Pattern as on the date of the Prospectus is as follows:

<b>Name of the Equity Shareholder</b>	<b>No. of Shares held</b>	<b>%age of Shareholding</b>
Ishwar Prasad Agarwal	32000	40.00
Amit Kumar Agarwal	35900	44.88

I.P. Agarwal Sons and HUF	7000	8.75
Sunita Agarwal	5000	6.25
Ravi Agrwal	100	0.125
<b>TOTAL</b>	<b>80000</b>	<b>100.00</b>

#### **Nature and extent of interest of our Promoters:**

None of our Promoter holds equity share in Acme Metawires Private limited. However relative of our Promoters Mrs. Atika Agrawal holds the position of Director in Acme Metawires Private Limited.

Acme Metawires 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. The Company is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1956 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.

#### **Litigations**

For details on litigations and disputes pending against the Group Companies/Entities, if any, please refer to the section titled “*Outstanding Litigations and Material Developments*” on page 194 of this Prospectus.

#### **Undertaking/Confirmations:**

None of our Promoters or Promoter Group or Group Companies 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 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 Companies have become sick Companies under the SICA and except as disclosed above 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.

#### **Nature and Extent of Interest of Group Companies**

##### **(a) In the promotion of our Company**

None of our Group Companies have any interest in the promotion of our Company or any business interest or other interests in our Company, except to the extent identified chapter titled ““*Financial Information of the Company– Annexure R- Related Party Transaction* ” on page 171 of this Prospectus.



**(b) 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 Group Companies do not have any interest in the properties acquired or proposed to be acquired by our Company in the past 2 years before filing the Prospectus with Stock Exchange.

**(c) In transactions for acquisition of land, construction of building and supply of machinery**

Except as stated in the Chapter titled “*Our Business*” beginning on page 92 of this Prospectus, none of our Group Companies are interested in any transactions for the acquisition of land, construction of building or supply of machinery.

**Common Pursuits/Conflict of interest**

Except for as disclose in this Prospectus, none of our Promoters/ Group Companies/ Entities have any common pursuits. For details please refer to chapter titled “*Our Promoters and Promoter Group*” on page 135 of this Prospectus.

As on the date of the 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 issuer:**

For details relating to the business transactions within the Group Companies and their significance on the financial performance of the issuer see the chapter titled “*Financial Information of the Company – Annexure R Related Party Transactions*” on page 171 of this 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 exceeding 10% of the sales or purchases of our Company see the chapter titled “*Financial Information of the Company–Annexure R-Related Party Transactions* ” on page 171 of this Prospectus.

**Business Interests amongst our Company and Group Companies /Associate Companies**

Except as mentioned under Related Party Transactions, “*Annexure R*” beginning on page 171 under Chapter titled “*Financial Information of the Company*” there is no business interest among Group Companies.

**Defunct /Struck-off Company**

Except as stated below, None of Promoters, 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 prospectus.

<b>Name of the Company</b>	<b>Date of Application</b>	<b>Register of Companies</b>	<b>Order date</b>
Rajasthan Fitting House Private Limited	June 13, 2016	Registrar of companies, Rajasthan, Jaipur	July 22, 2016
Euroflux Lite (India) Private Limited	August 04, 2016	Registrar of companies, Rajasthan, Jaipur	September 16, 2016

**Changes in Accounting Policies in the last three years**

Except as mentioned under the paragraph Changes in Significant Accounting Policies, “Annexure IV” beginning on page 146 under Chapter titled “*Financial Information of the Company*” beginning on page 146 of the Prospectus, there have been no changes in the accounting policies in the last three years.

## **DIVIDEND POLICY**

Under the Companies Act 2013, the Company can pay dividends upon recommendation by the Board of Directors of the Company and approval by the majority of 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 will depend on a number of factors namely but not limited to the results of operations, earnings, Company's future expansion plans, capital requirements and surplus, general financial conditions, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors. No dividend has been declared or paid on the Equity shares by our Company during the last 5 years.

Dividends are payable within 30 days of approval by the Equity Shareholders at the annual general meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the Register of members of our Company as on the "record date" are entitled to be paid the dividend declared by our Company. Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by Our Company.

**SECTION V – FINANCIAL INFORMATION OF THE COMPANY**

**AUDITOR’S REPORT ON RESTATED FINANCIAL STATEMENT**

**RMC SWITCHGEARS LIMITED**  
**(Formerly known as RMC Switch Gears Limited)**

To,  
The Board of Directors,  
RMC Switchgears Limited(Formerly Known as RMC Switch Gears Limited)  
B-11 (B&C), Malviya Industrial Area,  
Jaipur – 302017 Rajasthan, INDIA

Dear Sirs,

**Report on Restated Financial Statement**

1. We have examined the attached Restated Statement of Assets and Liabilities of RMC Switchgears Limited as at 30<sup>th</sup> September 2016, 31<sup>st</sup> March 2016, 31<sup>st</sup> March 2015, 31<sup>st</sup> March 2014, 31<sup>st</sup> March 2013, and 31<sup>st</sup> March 2012 and the related Restated Statement of Profit & Loss and Restated Statement of Cash Flow for the period ended on 30<sup>th</sup> September 2016, and financial year ended on 31<sup>st</sup> March 2016, 31<sup>st</sup> March 2015, 31<sup>st</sup> March 2014, 31<sup>st</sup> March 2013, and 31<sup>st</sup> March 2012 (collectively the “Restated Summary Statements” or Restated Financial Statements”). These Restated summary Statements have been prepared by the company and as approved by the Board of Directors of the company in connection with the Initial Public Offering (IPO) on the SME Platform of BSE Limited (“BSE”).
2. These Restated Summary Statements has been prepared in accordance with the requirements of:
  - i. Sub-clauses (i) and (iii) of clause (b) of sub-section (1) of Section 26 read with applicable provisions within Rule 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 of companies Act, 2013, as amended (hereinafter referred to as the “Act”) and
  - ii. Item (IX) of Part (B) of schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2009, As amended (The “SEBI Regulation”) issued by the SEBI.
  - iii. The terms of reference to our engagements with the company requesting us to carry out the assignment, in connection with the Prospectus/Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in SME Platform of BSE Limited (“IPO” of “SME IPO”): and
  - iv. The Guidance Note on Reports in Company Prospectus (Revised 2016) issued by the Institute of Chartered Accountants of India (“Guidance Note”).
  - v. In terms of Schedule VIII of the SEBI (ICDR) Regulations, 2009 and other provisions relating to accounts, We, Narendra Sharma & Co., Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid Certificate No. 008466 dated 16.08.2015 issued by the “Peer Review Board” of the ICAI.
3. The Restated Summary Statements and Financial information and significant Accounting Policies of the Company have been extracted by the management from the Audited Financial Statements of the Company for the period ended on 30<sup>th</sup> September 2016 and financial year ended on 31<sup>st</sup> March 2016, 31<sup>st</sup> March 2015, 31<sup>st</sup> March 2014, 31<sup>st</sup> March 2013, and 31<sup>st</sup> March 2012 which have been approved by the Board of Directors at their meeting held on October 24, 2016
4. Financial Statements for the period ended 30<sup>th</sup> September 2016 and year ended 31<sup>st</sup> March 2016, 31<sup>st</sup> March 2015, 31<sup>st</sup> March 2014, 31<sup>st</sup> March 2013, and 31<sup>st</sup> March 2012 have been audited by M/s Saraswat & Co, Chartered Accountants and accordingly reliance has been placed on the financial information examined by them for the said years. The Financial Report included for these years is based solely on the report submitted by them. We have carried out the reaudit of the financial statement for the period ended 30<sup>th</sup> September 2016 as required by SEBI regulations.

A. Financial Information as per Audited Financial Statements:

5. We have examined:
- The attached Restated Statements of Assets and Liabilities of the company, as at 30<sup>th</sup> September 2016, 31<sup>st</sup> March 2016, 31<sup>st</sup> March 2015, 31<sup>st</sup> March 2014, 31<sup>st</sup> March 2013, and 31<sup>st</sup> March 2012 (**Annexure I**);
  - The attached Restated Statement of Profits and Losses of the company for the period ended on 30<sup>th</sup> September 2016 and year ended 31<sup>st</sup> March 2016, 31<sup>st</sup> March 2015, 31<sup>st</sup> March 2014, 31<sup>st</sup> March 2013, and 31<sup>st</sup> March 2012 (**Annexure II**);
  - The attached Restated Statement of Cash Flows of the company for period ended on 30<sup>th</sup> September 2016 and year ended 31<sup>st</sup> March 2016, 31<sup>st</sup> March 2015, 31<sup>st</sup> March 2014, 31<sup>st</sup> March 2013, and 31<sup>st</sup> March 2012 (**Annexure III**);
  - The Significant Accounting Policies adopted by the company and notes to Restated Financial Statements along with adjustments on account of audit qualifications/ adjustments /regroupings. (**Annexure IV**);
6. In accordance with the requirements of Act, ICDR Regulations, Guidance Note on the reports in Company Prospectus (Revised) issued by ICAI and the terms of our Engagement Letter, we further report that:
- The “Restated Statement of Assets and Liabilities” as set out in Annexure I to this report, of the company as at 30<sup>th</sup> September 2016, 31<sup>st</sup> March 2016, 31<sup>st</sup> March 2015, 31<sup>st</sup> March 2014, 31<sup>st</sup> March 2013, and 31<sup>st</sup> March 2012 are prepared by the company and approved by the Board of Directors. This Statement of Assets and Liabilities, as restated have been arrived at after making such adjustments and regroupings to the individual Financial Statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in Annexure IV to this report.
  - The “Restated Statement of Profit and Loss” as set out in Annexure II to this report, of the company for the period ended on 30<sup>th</sup> September 2016 and year ended on 31<sup>st</sup> March 2016, 31<sup>st</sup> March 2015, 31<sup>st</sup> March 2014, 31<sup>st</sup> March 2013, and 31<sup>st</sup> March 2012 are prepared by the company and approved by the Board of Directors. This Statement of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in Annexure IV to this Report.
  - The “Restated Statement of Cash Flow “ as set out in Annexure III to this report, of the company for the period ended on 30<sup>th</sup> September 2016 & year ended on 31<sup>st</sup> March 2016, 31<sup>st</sup> March 2015, 31<sup>st</sup> March 2014, 31<sup>st</sup> March 2013, and 31<sup>st</sup> March 2012 are prepared by the company and approved by the Board of Directors. This Statement of Cash flow, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure IV** to this Report.

Based on the above and also as per the reliance placed by us on the audited financial statements of the company and Auditors Report thereon which have been prepared by the Statutory Auditor of the Company for the period ended 30<sup>th</sup> September 2016, 31<sup>st</sup> March 2016, 31<sup>st</sup> March 2015, 31<sup>st</sup> March 2014, 31<sup>st</sup> March 2013, and 31<sup>st</sup> March 2012 we are of the opinion that “**Restated Financial Statements**” or “**Restated Summary Statements**” have been made after incorporating:

- Adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all reporting periods.
  - Adjustments for any prior period material amounts in the respective financial years have been made to which they relate; and
  - There are no Extra-ordinary items except as shown in the Restated Profit & Loss Statement of that need to be disclosed separately in the Restated Summary Statements.
  - Adjustments on account of the statutory audit qualifications, if any, have been adjusted and regrouped to the individual financial statements of the company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure IV** to this Report.

- d) Adjustments in Financial Statements have been made in accordance with the correct accounting policies, which includes the impact of provision of gratuity made on actuarial valuation basis in the Restated Financial Statements.
- e) There are no change in accounting policies, which needs to be adjusted in the “Restated Financial Statements” except for provision for Gratuity which has not been provided on the mercantile basis. These adjustments have been made retrospectively in the respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods with consequential impact.
- f) There is no revaluation reserve, which needed to be disclosed separately in the Restated Financial Statement in the respective financial years.
- g) The company has not paid any dividend on its equity shares till September 30th 2016.

2. Such Financial statements do not require any corrective adjustments on account of : i. other remarks/comments in the Companies (Auditor's Report) Order ("the Order"), as amended, issued by the Central Government of India from time to time in terms of sub - section (4A) of section 227 of the Companies Act 1956 and sub section (11) of section 143 of the Companies Act 2013, as the case may be, on financial statements of the company as at and for the six months period ended September 30, 2016 and as at and for the years ended March 31, 2016, 2015, 2014, 2013 and 2012.

**B. Other Financial Information:**

7. We have also examined the following standalone financial information as set out in annexure prepared by the Management and as approved by the Board of directors of the company for period ended 30<sup>th</sup> September 2016, 31<sup>st</sup> March 2016, 31<sup>st</sup> March 2015, 31<sup>st</sup> March 2014, 31<sup>st</sup> March 2013, and 31<sup>st</sup> March 2012

Restated Statement of Share Capital, Reserves and surplus	Annexure-A
Restated Statement of Long Term and Short term Borrowings	Annexure-B, B(A) and B(B)
Restated Statement of deferred Tax (Assets)/Liabilities	Annexure-C
Restated Statement of Long Term Provisions	Annexure-D
Restated Statement of Trade Payables	Annexure-E
Restated Statement of other Current Liabilities and Short Term Provisions	Annexure-F
Restated Statement of Fixed Assets	Annexure-G
Restated Statement of Non- Current Investments	Annexure-H
Restated Statement Long term Loans and Advances	Annexure-I
Restated Statement of Inventory	Annexure-J
Restated Statement of Trade Recievables	Annexure-K
Restated Statement of Cash & Cash Equivalents	Annexure-L
Restated Statement of Short-Term Loans and Advances	Annexure-M
Restated Statement of other Current Assets	Annexure-N
Restated Statement of other Income	Annexure-O
Restated Statement of Turnover	Annexure-P
Restated Statement of Mandatory Accounting Ratios	Annexure-Q
Restated Statement of Related party transaction	Annexure-R
Restated Statement of Capitalization	Annexure-S
Restated Statement of Tax shelter	Annexure-T
Restated Statement of Contingent liabilities	Annexure-U

8. The Restated Financial Information contain all the disclosures required by the Accounting Standards notified under the Companies Act, 1956 of India read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Act.
9. We have carried out re-audit of the financial statements for the period ended September 30, 2016 as required by SEBI regulations. We have not audited any financial statements of the company as of any date of for any period subsequent to September 30, 2016. Accordingly, we do not express any opinion on the financial position, results or cash flows of the company as of any date or for any period subsequent to September 30, 2016.
10. The preparation and presentation of the financial statements referred to above are based on the Audited financial statements of the company in accordance with the provisions of the Act and the Financial Information referred to above is the responsibility of the management of the company.

11. In our opinion, the above financial information contained in Annexure I to III and Annexure A to U of this report read along with the restated statement of Significant Accounting Policies and Notes as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with paragraph B, Part II of Schedule II of the Act, the SEBI Regulations, The Revised Guidance Note on Reports in Company Prospectus and Guidance Note on Audit Reports/Certificates on Financial Information in Offer Documents issued by the Institute of Chartered Accountants of India (“ICAI”) to the extent applicable, as amended from time to time, and in terms of our engagement as agree with you.
12. Consequently the financial information has been prepared after making such regroupings and adjustments as were, in our opinion considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
13. The report should not in any way be construed as a re-issuance or re-drafting of any of the previous audit report, nor should this constructed as a new opinion on any of the financial statements referred to herein.
14. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
15. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the IPO-SME for proposed Issue of Equity Shares of the company and our report should not be used, referred to or adjusted for any other purpose without our written consent.

### **Auditor’s Responsibility**

Our responsibility is to express an opinion on these restated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Company’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the restated financial statements read together with the notes thereon, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, to the extent applicable;

- a. In the case of Restated Statement of Assets and Liabilities of the Company as at 30<sup>th</sup> September 2016, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31 2012;
- b. In the case of the Restated Statement of Profit and Loss, of the profit of the Company for the Years ended on that date; and
- c. In the case of the Restated Cash Flow Statement, of the cash flows of the Company for the Years ended on that date.

**For Narendra Sharma & Co.**  
**Chartered Accountants**  
**FRN:004983C**

**CA Ramsingh Purviya**  
**Partner**  
**Membership No. 79444**  
**Date: 15-02-2017**  
**Place: Jaipur**

**ANNEXURE – I**  
**RESTATED STATEMENT OF ASSETS AND LIABILITIES**

(Amt. in ₹)

Particulars	As at					
	30-09-2016	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
<b>I. EQUITY AND LIABILITIES</b>						
<b>Shareholder's Funds</b>						
Share Capital	4,32,42,000	1,08,10,500	1,08,10,500	1,08,10,500	64,89,600	64,89,600
Reserves and Surplus (excluding Revaluation Reserves, if any)	6,63,00,263	9,01,75,227	8,22,74,480	8,01,31,261	4,57,13,859	4,37,29,192
Money received against share warrants	0.00	0.00	0.00	0.00	0.00	0.00
<b>Share Application Money Pending Allotment</b>	0.00	0.00	0.00	0.00	1,23,10,400	1,35,10,400
<b>Non Current Liabilities</b>						
Long-term Borrowings	15,79,23,181	15,03,24,197	11,90,72,940	13,45,21,719	14,82,36,961	14,04,00,809
Deferred tax liabilities (Net)	81,12,665	90,88,630	52,68,330	41,45,657	30,92,969	42,40,101
Other Long Term Liabilities	1,34,79,939	2,28,28,056	2,74,46,543	1,34,79,939	1,34,79,939	1,34,79,939
Long-term Provisions	7,93,387	6,97,265	10,31,487	7,84,416	7,00,532	5,26,622
<b>Current Liabilities</b>						
Short-term Borrowings	100,472,378	9,05,20,388	8,30,95,635	9,55,82,530	9,54,70,862	13,52,17,869
Trade Payables	128,523,367	8,87,06,172	6,83,75,277	6,41,54,076	12,16,85,887	10,42,91,681
Other Current Liabilities	7,33,87,149	2,76,50,577	5,89,25,830	2,51,95,789	3,60,09,292	2,50,00,322
Short-term Provisions	489,067	10,440	22,863	20,532	18,902	16,931
<b>Total</b>	<b>592,723,395</b>	<b>49,08,11,451</b>	<b>45,63,23,885</b>	<b>42,88,26,419</b>	<b>48,32,09,203</b>	<b>48,69,03,466</b>
<b>II. ASSETS</b>						
<b>Non Current Assets</b>						
Fixed assets						
(i) Tangible Assets	22,62,89,312	22,84,58,403	19,98,65,796	19,02,71,834	14,17,22,869	14,60,81,171
(ii) Intangible Assets	44,577	89,154	2,00,766	3,12,502	4,29,248	5,66,018
(iii) Capital Work-In-Progress	-	-	2,58,72,557	2,26,00,075	6,86,14,944	6,03,15,529
(iv) Intangible Assets Under Development	-	-	-	-	-	-
Non Current Investments	-	-	-	-	-	-
Deferred Tax Assets (Net)	-	-	-	-	-	-
Long-term Loans and Advances	1,07,289	1,07,289	1,07,289	3,36,036	5,53,231	5,53,231
Other Non Current Assets	11,72,369	11,24,369	11,24,369	11,24,369	1,28,45,872	1,20,24,201
<b>Current assets</b>						
Current Investments	-	-	-	-	-	-
Inventories	5,49,02,937	4,99,09,122	6,30,92,775	4,14,52,674	7,42,19,113	8,79,10,490
Trade Receivables	23,64,86,617	16,17,58,651	10,49,45,920	10,78,51,081	12,17,55,252	14,21,97,958
Cash and Cash Equivalents	2,37,47,956	2,36,81,029	2,37,69,819	3,70,74,879	3,89,79,877	71,92,458
Short-term Loans and Advances	3,16,92,781	1,12,72,876	2,88,01,883	2,10,79,634	96,81,254	1,42,52,315
Other Current Assets	1,82,79,555	1,44,10,556	85,42,710	67,23,336	1,44,07,544	1,58,10,095
<b>Total</b>	<b>59,27,23,395</b>	<b>49,08,11,451</b>	<b>45,63,23,885</b>	<b>42,88,26,419</b>	<b>48,32,09,203</b>	<b>48,69,03,466</b>

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



**ANNEXURE – II**  
**RESTATED STATEMENT OF PROFIT AND LOSS**

(Amt in ₹)

Particulars	For the Period/Year ended					
	30-09-2016	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
Revenue from Operations (Gross)	28,41,45,606	60,74,76,472	48,46,90,394	44,72,58,091	41,78,71,484	34,66,53,759
Less: Excise Duty	2,46,91,987	(5,31,20,327)	(3,24,03,149)	(4,28,83,716)	(3,92,03,093)	(3,10,78,620)
Net Revenue From Operation	25,94,53,620	55,43,56,145	45,22,87,245	40,43,74,375	37,86,68,391	31,55,75,139
Other income	15,11,406	41,77,885	51,53,455	43,38,125	41,29,336	32,90,788
<b>Total Revenue</b>	<b>A 26,09,65,025</b>	<b>55,85,34,030</b>	<b>45,74,40,700</b>	<b>40,87,12,501</b>	<b>38,27,97,728</b>	<b>31,88,65,928</b>
Expenses:						
Cost of Material Consumed	6,98,79,839	17,61,83,056	15,66,68,400	15,12,23,285	13,72,09,301	13,55,20,294
Purchases of Stock in Trade	2,82,60,795	8,30,90,182	11,01,04,057	95,16,560	3,10,21,011	1,02,46,849
Changes in inventories of finished goods, WIP and Stock-in-Trade	98,17,088	90,78,877	(1,60,12,471)	3,88,35,781	(34,36,975)	(4,03,22,688)
Employee benefits expense	1,06,75,654	2,00,46,088	1,69,13,484	2,33,52,973	2,10,49,139	92,00,281
Finance costs	2,39,16,187	4,61,47,596	3,68,93,136	4,11,23,867	3,46,90,025	2,66,19,013
Depreciation and amortization expense	78,79,375	1,35,42,611	1,25,01,553	1,05,20,733	97,93,938	80,14,601
Other expenses	10,28,01,722	19,87,24,574	13,68,79,195	13,15,41,658	15,16,33,753	16,93,81,365
<b>Total Expenses</b>	<b>B 25,32,30,661</b>	<b>54,68,12,984</b>	<b>45,39,47,354</b>	<b>40,61,14,857</b>	<b>38,19,60,192</b>	<b>31,86,59,714</b>
Profit before extraordinary items and tax	77,34,365	1,17,21,047	34,93,346	25,97,643	8,37,536	2,06,214
Exceptional/Prior Period item	-	-	-	4,65,696	-	-
<b>Profit Before Tax</b>	77,34,365	1,17,21,047	34,93,346	30,63,339	8,37,536	2,06,214
Provision for Tax						
- Current Tax	17,79,171	21,96,970	8,81,780	6,01,150	1,94,260	1,44,830
- Deferred Tax Liability / (Asset)	(9,75,965)	38,20,300	11,22,673	10,52,688	(11,47,132)	25,72,983
MAT Credit Entitlement	(17,79,171)	(21,96,970)	(8,81,780)	(6,01,150)	(1,94,260)	(1,44,830)
MAT Credit Utilized	-	-	-	-	-	-
Short/(Excess) Tax adjustment of prior years	1,53,793	-	-	-	-	4,561
<b>Restated profit after tax for the period from continuing operations</b>	<b>85,56,536</b>	<b>79,00,747</b>	<b>23,70,673</b>	<b>20,10,651</b>	<b>19,84,668</b>	<b>(23,71,330)</b>
Profit/ (Loss) from Discontinuing operation	-	-	-	-	-	-
Tax expenses of discontinuing operations	-	-	-	-	-	-
<b>Restated profit for the period</b>	<b>85,56,536</b>	<b>79,00,747</b>	<b>23,70,673</b>	<b>20,10,651</b>	<b>19,84,668</b>	<b>(23,71,330)</b>

The above statement should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure IV, I and III.

**ANNEXURE – III**  
**RESTATED CASH FLOW STATEMENT**

(Amt in ₹)

Particulars	For the Period/Year ended					
	30-09-2016	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>						
Net Profit before tax	77,34,365	1,17,21,047	34,93,346	30,63,339	8,37,536	2,06,213
Adjustment for :						
Interest on Fixed Deposit	(14,47,150)	(39,04,352)	(49,47,983)	(40,96,835)	(35,46,292)	(19,18,531)
Dividend Income	-	-	-	-	-	-
Depreciation	78,79,375	1,35,42,611	1,25,01,553	1,05,20,733	97,93,938	80,14,601
Provision for Gratuity	5,74,749	(3,46,645)	2,49,402	85,514	1,75,881	5,43,553
Loss / (Profit) on sale of Fixed Assets	0.00	(50,629)	(5,009)	-	(28,781)	-
Balance Write off		-	-	-	-	28,200
Interest on Borrowed Fund	2,39,16,187	4,61,47,596	3,68,93,136	4,11,23,867	3,46,90,025	2,66,19,013
<b>Operating profit before working capital changes</b>	<b>3,86,57,526</b>	<b>6,71,09,628</b>	<b>4,81,84,445</b>	<b>5,06,96,618</b>	<b>4,19,22,307</b>	<b>3,34,93,050</b>
Adjustment for :						
(Increase)/Decrease in Inventories	(49,93,815)	1,31,83,653	(2,16,40,102)	3,27,66,439	1,36,91,377	(4,56,80,158)
(Increase)/Decrease in Trade Receivables	(7,47,27,966)	(5,68,12,731)	29,05,161	1,39,04,171	2,04,42,706	(5,56,41,018)
(Increase)/Decrease in Short Term loans and advances	(2,04,19,905)	1,75,29,006	(77,22,248)	(1,13,98,381)	45,71,061	65,13,557
(Increase)/Decrease in Other Current Assets	(38,68,999)	(58,67,846)	(18,19,374)	76,84,208	14,02,551	(64,26,048)
(Increase)/Decrease in Long Term loans and advances	-	-	2,28,747	2,17,195	-	-
Increase/(Decrease) in trade payables	3,98,17,195	2,03,30,895	42,21,200	(5,75,31,811)	1,73,94,205	4,27,92,937
Increase/(Decrease) in provisions		-	-	-	-	-
Increase/(Decrease) in other current liabilities	4,30,51,007	(3,12,75,253)	3,37,30,041	(10,813,503)	1,10,08,970	30,03,259
<b>Cash generated from / (used in) operations</b>	<b>1,75,15,044</b>	<b>2,41,97,352</b>	<b>5,80,87,870</b>	<b>2,55,24,938</b>	<b>11,04,33,177</b>	<b>(2,19,44,522)</b>
Income Tax paid	1,53,793	-	-	-	-	(4,561)
<b>Net cash generated from/(used in) operating activities - (A)</b>	<b>1,73,61,251</b>	<b>2,41,97,352</b>	<b>5,80,87,870</b>	<b>2,55,24,938</b>	<b>11,04,33,177</b>	<b>(2,19,49,084)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>						
Purchase of tangible fixed assets	(1,22,91,047)	(2,04,27,866)	(2,58,78,707)	(1,33,35,051)	(1,45,85,200)	(4,59,09,603)
Sale (Purchase) of long-term Assets	(48,000)	-	-	1,17,21,503	(8,21,671)	5,24,758
Sale of tangible fixed assets	66,25,340	43,27,446	4,00,000	3,96,968	10,15,700	-
Interest Income on Fixed Deposit	14,47,150	39,04,352	49,47,983	40,96,835	35,46,292	19,18,531
Dividend Income						
<b>Net cash (used in) Investing</b>	<b>(42,66,557)</b>	<b>(1,21,96,068)</b>	<b>(2,05,30,724)</b>	<b>28,80,255</b>	<b>(1,08,44,879)</b>	<b>(4,34,66,316)</b>

Activities - (B)						
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>						
Proceeds from issue of Share Capital/Share application Money(Including Premium)		-	1,39,66,605	2,44,17,250	(12,00,000)	16,66,000
Repayment of borrowings	1,08,88,421	3,40,57,522	(2,79,35,674)	(1,36,03,574)	(3,19,10,855)	8,28,23,155
Interest on Borrowed Fund	(2,39,16,187)	(4,61,47,597)	(3,68,93,136)	(4,11,23,867)	(3,46,90,025)	(2,66,19,013)
Proposed Dividend Paid (Including Dividend Distribution Tax)		-	-	-	-	-
<b>Net cash(used in) / from financing activities - (C)</b>	<b>(1,30,27,766)</b>	<b>(1,20,90,075)</b>	<b>(5,08,62,206)</b>	<b>(3,03,10,191)</b>	<b>(6,78,00,880)</b>	<b>5,78,70,143</b>
Net Increase/(decrease) in Cash & Cash Equivalents (A+B+C)	66,928	(88,791)	(1,33,05,060)	(19,04,998)	3,17,87,419	(75,45,256)
Cash and cash equivalents at the beginning of the year	2,36,81,029	2,37,69,819	3,70,74,879	3,89,79,877	71,92,458	1,47,37,715
Cash and cash equivalents at the end of the year	2,37,47,956	2,36,81,029	2,37,69,819	3,70,74,879	3,89,79,877	71,92,458
Cash and cash equivalents at the end of year comprises :						
1. Components of cash and cash equivalents:						
<b>Particulars</b>	<b>30-09-2016</b>	<b>31-03-2016</b>	<b>31-03-2015</b>	<b>31-03-2014</b>	<b>31-03-2013</b>	<b>31-03-2012</b>
Cash on hand	9,28,734	3,92,627	27,83,291	34,64,910	43,09,547	30,84,176
Balances with scheduled banks:						
In current accounts	10,35,447	3,74,190	7,87,432	5,49,406	5,68,338	26,13,541
in Deposits with Scheduled Bank	2,17,83,775	2,29,14,213	2,01,99,096	3,30,60,562	3,41,01,992	14,94,741
Total Cash and cash equivalents	2,37,47,956	2,36,81,029	2,37,69,819	3,70,74,879	3,89,79,877	71,92,458
2. 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).						
3. Figures in Brackets represents outflow.						
4. The above statement should be read with the significant accounting policies and notes to restated summary statement of assets & Liabilities, profits and losses and cash flows appearing in Annexure IV, II and I.						

**ANNEXURE-IV**

**SIGNIFICANT ACCOUNTING POLICY AND NOTES TO THE RESTATED SUMMARY STATEMENTS**

**A. BACKGROUND**

RMC Switchgears limited formerly known as RMC Switch Gears Limited was incorporated on August 23, 1994 as “RFH METAL CASTINGS PRIVATE LIMITED”. Subsequently the Company was converted into a Public Limited Company in the year 2008 and the name of the Company was changed to “RFH METAL CASTINGS LIMITED”. In the year 2009, the name of our Company was changed to “RMC SWITCH GEARS LIMITED”. Further, in the year 2016 the name of the Company was changed to “RMC SWITCHGEARS LIMITED. The company is engaged in the manufacturing, sale & designing of enclosures of Energy Meters, LT/HT Distribution Boxes and Panels, Junction Boxes, Feeder Pillars and other Power Distribution and Circuit Protection Switchgears.

**B. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The Restated Financial Statements have prepared under the historical cost basis of accounting and evaluated on a going-concern basis, with revenue and expenses accounted for on their accrual to comply in all material aspect with the applicable accounting policies and applicable Accounting Standards notified by companies (Accounting Standards)Rules,2006(as amended) and the relevant provisions of the companies act, 1956 and the Rules, read with General Circular 15/2013 dated September,2013, issued by the Ministry of Corporate Affairs, in respect of Section 133 of the companies act, 2013.

**2. USE OF ESTIMATES**

The preparation of Financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made, that affects the reported amounts of assets and liabilities on the date of the Financial Statements and the reported amount of revenue and expenses during the reporting period. Differences between the actual results and estimates are recognized in the period in which the results are known/materialized.

**3. FIXED ASSETS**

Fixed assets are stated at historical cost less accumulated depreciation. Cost includes purchase price and all other attributable cost to bring the assets to its working condition for the intended use. Subsequent expenses related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Projects under which assets are not ready for their intended use are shown as Capital work in progress. Cost includes cost of land, materials, construction, services, borrowing costs and other overheads relating to projects.

**4. DEPRECIATION**

Depreciation on fixed assets has been charged on written down value basis for the assets situated at Malviya Industrial Area and Straight line method of depreciation on assets located at Chaksu, pro-rata for the period of use, by adopting the rates of depreciation specified in Schedule XIV of the companies act, 1956 and as per method specified in Schedule-II of The Companies Act, 2013 for the relevant periods.

**5. BORROWING COSTS**

Borrowing costs that is directly attributable to the acquisition or construction of a qualifying asset is considered as part of the cost of the asset/project. All other borrowing costs are treated as period cost and charged to the profit and loss account in the year in which incurred.

## **6. IMPAIRMENT OF ASSETS**

The company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belong is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account.

## **7. INVESTMENTS**

There are not any Long term investments. So that Provision for diminution in the value of each long-term investment is not made to recognize a decline.

## **8. INVENTORIES**

Inventories are stated at cost or net realizable value whichever is lower.

## **9. REVENUE RECOGNITION**

- I. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.
- II. Sale is recognized on dispatch to goods from point of sales.
- III. Other income is accounted for on accrual basis in accordance with Accounting Standards (AS)9- "Revenue Recognition".

## **10. 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 in which case they are adjusted with the carrying cost of such assets.

## **11. EMPLOYEE BENEFITS**

### **Defined-contribution plans:**

- I. A defined contribution plan is a post-employment benefit plan under which the company pays specified contributions to a separate entity. The company makes specified monthly contributions towards Provident Fund. The company's contributions to Employees Provident Fund are charged to statement of profit and loss every year.
- II. The company has no policy of encashment and accumulation of Leave. Therefore, no provision of Leave Encashment is being made.
- III. Employee Gratuity Fund Scheme is the Defined Benefit Plan. Provision for gratuity has been made in the accounts, in case of those employees who are eligible for the retirement benefits. Gratuity is paid at the time of retirement of employees. Provision for gratuity liability is provided based on Actuarial Valuation made.
- IV. Short term Employee benefits like leave benefit, if any, are paid along with salary and wages on a month to month basis, bonus to employees are charged to profit and loss account on the basis of actual payment on year to year basis.

## **12. ACCOUNTING FOR TAXES ON INCOME**

- I. Provision for current tax is made, based on the tax payable under the Income Tax Act, 1961 after considering tax allowances and exemptions.
- II. Deferred tax on timing differences between taxable and accounting income is accounted for, using the tax rates and the tax laws enacted or substantially enacted as on the balance sheet date.

- III. Deferred tax assets on unabsorbed tax losses and unabsorbed depreciation are recognized only when there is a virtual certainty of their realization. Other items are recognized only when there is a reasonable certainty of their realization.

### **13. CONTINGENT LIABILITIES AND PROVISIONS**

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made.

Contingent Liability is disclosed for

- a) Possible obligation which will be confirmed only by future events not wholly within the control of the company or
- b) Present obligations arising from the past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.
- c) Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

### **14. 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 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.

### **15. CASH FLOW:**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the company are segregated accordingly.

### **16. GOVERNMENT GRANT**

Grant received from Capital Investment Subsidy and CLCS subsidy are capital in nature and normally Non Refundable . The company covered those grants in capital Reserve. The company is following capital approach method for the grants under which grant is treated as a part of shareholder's fund.

### **C. CHANGES IN ACCOUNTING POLICIES IN THE YEARS/PERIODS COVERED IN THE RESTATED FINANCIALS**

There is no change in significant accounting policies except for provision for Gratuity which has been provided on the basis of estimates made by the management rather than cash basis of accounting followed by the company in this regard.

#### D. NOTES ON RESTATEMENTS MADE IN THE RESTATED FINANCIALS

- The financial statements for the years ended prior to April,2011 were prepared as per the then-applicable pre-revised schedule VI of the Companies Act, 1956. Consequent to the notification of the revised schedule VI under the Companies Act, 1956, the financial statements for the year ended March 31,2012, March 31,2013 and March 31,2014 are prepared as per the revised schedule VI and the financial statements for the year ended March 2015, 31 March 2016 and 30th September 2016 are prepared as per SCH-III of The Companies Act,2013. Accordingly, the figures of the previous years have also been re-classified to conform to classification as per the revised schedule VI. The adoption of revised schedule VI for the figures of the previous year's does not impact recognition and measurement principles followed for the preparation of these financial statements.
- The financial statement 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.

#### 3. 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. The disclosures as envisaged under the standard are as under:-

Particulars	30/09/2016	31/03/2016	31/03/2015	31/03/2014	31/03/2013	31/03/2012
<u>1. The amount recognised in the Balance Sheet are as follows:</u>						
Present value of funded obligation recognised	1101313	707705	1054350	840948	719434	543553
<b>Net Liability</b>						
<u>2. The Amount recognised in the Profit &amp; loss are as follows:-</u>						
Current Service Cost	128951	205038	243484	175073	160384	543553
Interest on Defined Benefits obligation	34115	84348	64396	57555	43484	
Net Actuarial Losses/ (Gain) Recognised in year	411683	(636031)	58478	147114	27987	
Past Services Cost						
Total,Included in "Salaries,Allowances & Welfare"	574749	(346645)	249402	85514	175881	543553
<u>3.Changes in the Present Value of Defined benefit obligation:-</u>						
Defined benefit obligation as at the beginning of the year /Period	707705	1054350	804948	719434	543553	
Service Cost	128951	205038	243484	175073	160384	543553
Interest Cost	34115	84348	64396	57555	43484	
Actuarial Losses / (Gains)	411683	(636031)	58478	147114	27987	
Past Services Cost	0	0	0	0	0	
Defined benefit obligation as at the beginning of the year /Period	1282454	707705	1054350	804948	719434	543553
<u>4.Benefit Description</u>						
Benefit type:	Gratuity Valuation as per Act					

Retirement Age:	60	60	60	60	60	60
Vesting Period:	5 year	5 year	5 year	5 year	5 year	5 year
The principal actuarial assumptions for the above are:						
Future Salary rise:						
Discount rate per annum:	8% P.A.	8% P.A.	8% P.A.	8% P.A.	8% P.A.	8% P.A.
Attrition rate:	5% P.A.	5% P.A.	5% P.A.	5% P.A.	5% P.A.	5% P.A.
Mortality Rate:	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate

#### 4. Segment Reporting (AS17)

The company is required to disclose the information required by Accounting Standard-17. No separate segments have, however, been reported as the company does not have more than one business segments within the meaning of Accounting Standard-17, which differ from each other in risk and reward.

#### 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 September 30, 2016 except as mentioned in Annexure-U, for any of the years covered by the statements.

#### 6. Related Party Disclosure (AS 18)

Related party transactions are already reported as per AS-18 of the companies(Accounting Standards) Rules, 2006 as amended, in the Annexure-R 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 is reported as under:

Particulars	Amount As at					
	30/09/2016	31/03/2016	31/03/2015	31/03/2014	31/03/2013	31/03/2012
Deferred Tax Liability						
Net Block as per Restated accounts	226333709	228547557	200066562	190584335	142152116	146647189
Net Block as per Income Tax	166291458	166288229	146343713	145270557	104579789	116212537
Timing difference-depreciation	60042250	62259327	53722848	45313777	37572326	30434651
Deferred Tax Liability (a)	18553055	19238132	16600360	14001957	11609848	9404307
Unabsorbed Depreciation	33213562	33192931	36423835	31811897	27386836	16169088
Gratuity expenses charged to profit and loss	574749	(346645)	249402	85514	175881	543553
Deferred Tax Assets(B)	10440588	10149502	11332030	9856300	8516879	5164206
Cumulative Balance of Deferred Tax Liability (A-B)	8112467	9088629	5268330	4145657	3092969	4240101

#### 8. Earnings Per Share (AS 20):

Earnings per share have been calculated is already reported in the Annexure-Q of the enclosed financial statements.

#### 9. Leases (AS19)

##### Finance Lease



Leases which effectively transfer to the company all risks and benefits incidental to ownership of the leased item are classified as Finance Lease. Lease rentals are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return.

### Operating Lease

Lease where the lesser effectively retains substantially all risks and benefits of the asset are classified as operating lease. Operating lease payments are recognized as an expense in the Profit & Loss account on a Straight Line Basis over the Lease term.

Operating Leases are mainly in the nature of lease of office premises with no restrictions and are renewable by mutual consent. There are no restrictions imposed by lease arrangements. Lease rental payments made by the company are recognized in the statement profit and loss account in restated financials under the head Other.

### 10. 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 Schedule VI and Accounting Standards.

### 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 & losses of the company.

Particulars	Amount (In Rs.)					
	30-09-16	31-03-16	31-03-15	31-03-14	31-03-13	31-03-12
<b>Profit As Per Audited P&amp;L</b>	<b>9391119</b>	<b>2191806</b>	<b>4627552</b>	<b>3154840</b>	<b>1019470</b>	<b>755520</b>
1. Gratuity Expenses	(574749)	346645	(249402)	(85514)	(175881)	(543553)
2. Depreciation	(136741)	(155239)	(884805)	(5987)	(6053)	(10314)
3. Deferred Tax Adjustment	326907	5517534	(1122672)	(1052688)	1147132	(2572983)
4. ROC fees for Authorised capital	(450000)	-	-	-	-	-
<b>Profit As Per Restated P&amp;L</b>	<b>8556536</b>	<b>7900747</b>	<b>23,70,673</b>	<b>2010651</b>	<b>1984668</b>	<b>(2371330)</b>

### 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.

### Contractual liabilities

All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

### Amounts in the financial statements

Amounts in the financial statements are rounded off to nearest rupees. Figures in brackets indicate negative values.

**For Narendra Sharma & Co.**  
**Chartered Accountants**  
**FRN:004983C**

**CA Ramsingh Purviya**  
**Partner**  
**Membership No. 79444**  
**Date: 15-02-2017**  
**Place: Jaipur**

**ANNEXURE – A**  
**STATEMENT OF SHARE CAPITAL, RESERVES AND SURPLUS**

(Amt in ₹)

Particulars	As at					
	30-09-2016	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
<b>Share Capital</b>						
<b>Authorized Share Capital</b>	65,00,00,000	2,00,00,000	2,00,00,000	2,00,00,000	2,00,00,000	2,00,00,000
Equity shares of Rs.10 each						
Share Capital						
Issued, Subscribed and Paid up Share Capital	4,32,42,000	1,08,10,500	1,08,10,500	1,08,10,500	64,89,600	64,89,600
Equity Shares of Rs. 10 each fully paid up						
Share Capital (in Rs.)						
<b>Total</b>	4,32,42,000	1,08,10,500	1,08,10,500	1,08,10,500	64,89,600	64,89,600
Reserves and Surplus						
A) Capital Reserves						
As Per Last Financial Statements						
Capital Investment Subsidy-State	14,50,060	14,50,060	14,50,060	14,50,060	14,50,060	14,50,060
CLCS subsidy- Central Government	15,00,000	15,00,000	15,00,000	15,00,000	15,00,000	15,00,000
<b>Total (A)</b>	<b>29,50,060</b>	<b>29,50,060</b>	<b>29,50,060</b>	<b>29,50,060</b>	<b>29,50,060</b>	<b>29,50,060</b>
B) Surplus in Profit and Loss account						
Opening Balance	2,10,38,417	1,31,37,670	1,09,94,451	89,83,799	69,99,132	93,70,462
Add: Profit for the year	85,56,536	79,00,747	23,70,673	20,10,651	19,84,668	(23,71,330)
Less: adjustment FA Retirement amount			2,27,454			
<b>Total (B)</b>	<b>2,95,94,953</b>	<b>2,10,38,417</b>	<b>1,31,37,670</b>	<b>1,09,94,451</b>	<b>89,83,799</b>	<b>69,99,132</b>
C) Security Premium						
Opening Balance	6,61,86,750	6,61,86,750	6,61,86,750	3,37,80,000	3,37,80,000	3,21,14,000
Addition/Capitalization during the year	3,24,31,500	-	-	3,24,06,750	-	1666000.00
<b>Total (C)</b>	<b>3,37,55,250</b>	<b>6,61,86,750</b>	<b>6,61,86,750</b>	<b>6,61,86,750</b>	<b>3,37,80,000</b>	<b>3,37,80,000</b>
<b>Total (A+B+C)</b>	<b>6,63,00,263</b>	<b>9,01,75,227</b>	<b>8,22,74,480</b>	<b>8,01,31,261</b>	<b>4,57,13,859</b>	<b>4,37,29,192</b>

## Notes:-

1. The figures mentioned in the bracket represent absolute number of shares.
2. Terms/rights attached to equity shares:
  - i. The company has only one class of shares referred to as equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share.
  - ii. In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.
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 statement of assets & liabilities, profits and losses and cash flows appearing in Annexure IV, II and III.
5. The company does not have any revaluation reserves.
6. The reconciliation of the number of shares outstanding as at: -

Particulars	As at
-------------	-------

	30-09-2016	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
Number of shares at the beginning	10,81,050	10,81,050	10,81,050	6,48,960	6,48,960	6,45,560
Add: Shares issued during the year	32,43,150	-	-	4,32,090	-	3,400
Less: Shares bought back during the Year	-	-	-	-	-	-
Number of shares at the end	<b>43,24,200</b>	<b>10,81,050</b>	<b>10,81,050</b>	<b>10,81,050</b>	<b>6,48,960</b>	<b>6,48,960</b>

7. The detail of shareholders holding more than 5% of Shares as at: -

Name of Share Holder	As at ( No of Shares)					
	30-09-2016	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
Vitthal Das Agrawal(HUF)	657,600	164400	157000	157000	157000	157000
Santosh Agarwal	745,520	186380	177380	176580	106000	106000
Ankit Agrawal	640,880	160220	150220	149320	90500	90500
Parwati Bai Agarwal	388,920	97230	86780	86780	82900	82900
Ashok Kumar Agrawal(HUF)	282,840	70710	70710	70710	56300	56300
Ashok Kumar Agarwal	525,000	131250	131250	130350	39060	39060
Argent Leasing & Finance Pvt. Ltd.	550,120	137530	137530	137530	-	-

**ANNEXURE – B**  
**STATEMENT OF LONG TERM AND SHORT TERM BORROWINGS**

(Amt in ₹)

Particulars	As at					
	30-09-2016	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
<b>Long Term Borrowings</b>						
<b>From Banks/Financial Institutions (Secured)</b>						
Term Loans	3,85,37,592	5,14,00,841	4,83,65,093	4,65,76,292	3,69,27,723	5,18,37,593
<b>Loans and Advances (Unsecured)</b>						
From Promoters/Directors/Related Parties	1,15,53,888	52,77,671	1,75,19,075	6,48,11,638	8,91,70,141	5,84,86,729
From others	10,78,31,700	4,71,49,369	5,26,99,508	2,31,33,788	2,21,39,097	3,00,76,487
From Financial Institutions	0	4,64,96,316	4,89,264	-	-	-
<b>Total</b>	<b>15,79,23,181</b>	<b>15,03,24,197</b>	<b>11,90,72,940</b>	<b>13,45,21,718</b>	<b>14,82,36,961</b>	<b>14,04,00,809</b>
<b>Current portion of long-term borrowings, included under Other current liabilities</b>						
Term Loans and Car Loans	1,35,40,198	60,52,588	4,10,66,162	88,78,900	1,74,41,847	1,51,44,685
<b>Short Term Borrowings</b>						
From Banks (Secured)						
Bank Working Capital Loan	10,04,72,378	8,91,20,388	7,01,95,635	7,45,84,479	7,73,70,862	9,83,44,404
From Promoters/Directors/Related Parties	0	14,00,000	1,29,00,000	2,09,98,051	1,81,00,000	3,68,73,464
<b>Total</b>	<b>10,04,72,378</b>	<b>9,05,20,388</b>	<b>8,30,95,635</b>	<b>9,55,82,530</b>	<b>9,54,70,862</b>	<b>13,52,17,869</b>
The above amount includes:						
Secured Borrowings	13,90,09,970	14,05,21,229	11,85,60,728	12,11,60,771	11,42,98,585	1,50,18,1997
Unsecured Borrowings	11,93,85,588	10,03,23,356	8,36,07,847	10,89,43,478	12,94,09,238	12,54,36,681

Notes:

- The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 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 Annexure 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 are given in Annexure -B (A)
5. The terms and conditions and other information in respect of Unsecured Loans are given in Annexure - B (B)

## ANNEXURE - B (A)

## STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY

(Amt. in ₹)

Name of Lender	Purpose	Sanctioned Amount	Rate of interest	Primary Security	Collateral/Other Security	Re-Payment Schedule	M or at or iu m	Outstanding amount as on 30.09.2016 as per Books
<b>Secured Loan</b>								
The Federal Bank Ltd. - Sanghi Upasana Tower, C-Scheme, Jaipur - , Rajasthan	Cash Credit	200.00	BR+2.55%	Secured by way of hypothecation of all inventories, book-debts and other receivables of the company.	Also secured by way of first charge ranking pari passu on all immovable assets of the company, both present and future and personal guarantees of Ashok Agarwal, Ankit Agrawal, and VD Agarwal, Directors of company. Collateral charge by way of factory building at MIA, Jaipur and additional charges on Land & Building at Chaksu personal guarantee of directors.	--	--	10,04,72,377
		700.00	BR+2.55%			--	--	
	Term Loan	200.00	BR+4.03%	Equitable Mortgage on entire fixed assets situated in Malviya Industrial Area, and Tehsil Chaksu, Jaipur	personal guarantees of Ashok Agarwal, Ankit Agrawal, and VD Agarwal, Directors of company	Repayable in 72 Monthly Installments in 7 years commencing from the 2nd Year. Installments pending as on 31st, March 2016 are 28.	--	1,08,11,673

		40.00	BR+2 .55% = 12.05 %	Equitable Mortgage on entire fixed assets situated in Malviya Industrial Area, and Tehsil Chaksu, Jaipur	personal guarantees of Ashok Agarwal, Ankit Agrawal, and VD Agarwal, Directors of company	Repayable in 36 monthly installments. Installments pending as on 31st March 2016 are 36		
Small Industries Development Bank of India (SIDBI)	Term Loan	300.00	ROI is 15%	Secured by way of second charge on the movable assets of the company.	And further secured by personal guarantees of Ashok Agarwal, Ankit Agrawal, Smt. Santosh Agarwal and VD Agarwal, Directors of company	Repayment in 48 Monthly Installments commencing from July, 2017.		3,00,00,000
L&T Finance Ltd.	Term Loan	115	13%	Secured by Plant & Machinery-Santec Make, Hydraulic Compression Moulding Press-1000 TONS.	Nil	Repayable in Equated monthly installments of Rs.396550/- each.		50,37,127
ICICI (Indica) Loan(LAJAI0034168043)	Auto Loan	3.81	10.01	Tata Indica Car	Nil	Repayable in 36 Equated monthly installments of Rs.12315/- each	-	3,15,163
ICICI (Indigo) Loan (LAJAI00033991087)	Auto Loan	16.75	10.01	Tata Indigo Car	Nil	Repayable in 15 Equated monthly installments of Rs.133834/- each	-	3,76,659
ICICI Bank Ltd- ICICI Innova (6336) Loan A/c No. LAJAI00029886690	Auto Loan	12	10.51	Toyota Innova Car	Nil	Repayable in 36 Equated monthly installments of Rs.39009/- each	-	4,77,337
Axis Bank Ltd.	Auto Loan	19.77	10.5	Skoda Octiva Car	Nil	Repayable in 60 Equated monthly installments of Rs.42500/- each	-	14,25,136
Reliance Capital Ltd.	Auto Loan	5.94	17	Ride Bus	Nil	Repayable in 36 Equated	-	1,47,725

Account No. RLUMJAI000 273232						monthly installments of Rs.21183/- each		
Reliance Capital Ltd. Account No. RLUMJAI000 273235	Auto Loan	7.86	17	Tata Bus	Nil	Repayable in 36 Equated monthly installments of Rs.28030/- each	-	2,60,593
HDFC Car Loan (Hyundai I20)(35460869)	Auto Loan	5.5	10.15 %	Hyundai I20 Car	Nil	Repayable in 36 Equated monthly installments of Rs.17786/- each	-	3,99,264
Kotak Mahindra Prime Ltd.	Auto Loan	5.6	12.5	Mahindra Bolero Car	Nil	Repayable in 36 Equated monthly installments of Rs. 18470/- each	-	1,40,468

**ANNEXURE - B (B)**  
**STATEMENT OF TERMS & CONDITIONS OF UNSECURED LOANS**

Details of Unsecured Loans outstanding as at the end of the respective year from Directors/Promoters/Promoter Group /Associates/Relatives of Directors/Group Companies/other entities

Unsecured Loans from Promoters/Directors are interests bearing and all are taken without any preconditions attached towards repayments.

S.No.	Lender	Nature Of Facility	Amount Outstanding As At 30 June, 2016	Rate of Interest
1	<b>Ashok Kumar Agarwal</b>	Businesss Loan	38,31,201	15%
2	<b>Ankit Agarwal</b>	Businesss Loan	31,56,058	15%
3	<b>Santosh Agarwal</b>	Businesss Loan	42,40,467	15%
4	<b>Vitthal Das Agarwal</b>	Businesss Loan	1,01,886	15%
5	<b>Rajendra Kumar Agarwal</b>	Businesss Loan	15,000	15%
6	<b>Neha Ahrawal</b>	Businesss Loan	61,875	15%
7	<b>Standard Capital markets Limited</b>	Businesss Loan	11,07,299	8%
8	<b>National Small Industries Corporation Ltd.</b>	Businesss Loan	4,36,40,757	12.95%
9	<b>Fullerton India Credit Co Ltd (173526300000960)</b>	Businesss Loan	4,51,56,674	12.56%
10	<b>Fullerton India Credit Co Ltd (17352630000090)</b>	Businesss Loan	17,65,482	11%
11	<b>Dash Plastic Ltd</b>	Businesss Loan	11,44,621	-
12	<b>Bajrang Bali Pulses Pvt Ltd</b>	Businesss Loan	30,67,500	15%
13	<b>Nightbird Tradecom Pvt Ltd</b>	Businesss Loan	20,00,000	14.4%
14	<b>Shreeram City Finance Ltd</b>	Businesss Loan	5,15,803	15%
15	<b>Amit Agarwal</b>	Businesss Loan	1,47,400	15%
16	<b>AU Financers India Ltd.</b>	Businesss Loan	50,00,000	15%
17	<b>Apex Aluminium Extrusion Pvt. Ltd.</b>	Businesss Loan	71,19,127	-

**ANNEXURE – C**  
**STATEMENT OF DEFERRED TAX (ASSETS) / LIABILITIES**

(Amt. in ₹)

Particulars	For the Period/year ended					
	30-09-2016	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
Opening Balance (A)						
Opening Balance of Deferred Tax (Asset) / Liability	90,88,630	52,68,330	41,45,657	30,92,969	42,40,101	16,67,119
Current Year Provision (B)	(9,75,965)	38,20,300	11,22,673	10,52,688	(11,47,132)	25,72,983
(DTA) / DTL on Depreciation	1,85,53,111	1,92,38,132	1,66,00,360	1,40,01,957	1,16,09,849	94,04,308
(DTA) / DTL on Unabsorbed Dep/Bonus Expenses	(1,04,40,446)	(1,01,49,502)	(1,13,32,030)	(98,56,300)	(85,16,880)	(51,64,206)
Closing Balance of Deferred Tax (Asset) / Liability (A+B)	<b>81,12,665</b>	<b>90,88,630</b>	<b>52,68,330</b>	<b>41,45,657</b>	<b>30,92,969</b>	<b>42,40,101</b>

Notes: 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 Annexure IV, I, II and III .

**ANNEXURE – D**  
**STATEMENT OF LONG TERM PROVISIONS**

(Amt in ₹)

Particulars	As at					
	30.09.2016	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
Provision for Employee Benefits						
Provision for Gratuity	7,93,387	6,97,265	10,31,487	7,84,416	7,00,532	5,26,622
Other Provisions	-	-	-	-	-	-
<b>TOTAL</b>	<b>7,93,387</b>	<b>6,97,265</b>	<b>10,31,487</b>	<b>7,84,416</b>	<b>7,00,532</b>	<b>5,26,622</b>

**ANNEXURE – E**  
**STATEMENT OF TRADE PAYABLES**

(Amt in ₹)

PARTICULARS	As at					
	30-09-2016	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
<u>Trade Payables</u>						
Micro, Small and Medium Enterprises	-	-	-	-	-	-
Other -For Goods & Services (including advances from Debtors)	12,85,23,367	8,87,06,172	6,83,75,277	6,41,54,076	12,16,85,887	10,42,91,681
<b>Total</b>	<b>12,85,23,367</b>	<b>8,87,06,172</b>	<b>6,83,75,277</b>	<b>6,41,54,076</b>	<b>12,16,85,887</b>	<b>10,42,91,681</b>

Notes

- The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- 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 Annexure IV, I, II and III.
- 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.

**ANNEXURE – F**  
**STATEMENT OF OTHER CURRENT LIABILITIES AND SHORT TERM PROVISIONS**

(Amt in ₹)

PARTICULARS	As at					
	30-09-2016	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
Other Current Liabilities						
Current maturities of long-term						

borrowings						
- Term Loan/Car Loan	1,35,40,198	60,52,588	4,10,66,162	88,78,900	1,74,41,847	1,51,44,685
Statutory Dues	62,94,886	10,63,458	43,03,020	16,84,619	30,37,304	10,54,901
Other Payables	5,35,52,065	2,05,34,530	1,35,56,648	1,46,32,270	1,55,30,140	88,00,736
<b>Total</b>	<b>7,33,87,149</b>	<b>2,76,50,577</b>	<b>5,89,25,830</b>	<b>2,51,95,789</b>	<b>3,60,09,292</b>	<b>2,50,00,322</b>
Short-Term Provisions						
Provision for Income Tax	-	-	-	-	-	-
Provision for Gratuity	4,89,067	10,440	22,863	20,532	18,902	16,931
<b>Total</b>	<b>4,89,067</b>	<b>10,440</b>	<b>22,863</b>	<b>20,532</b>	<b>18,902</b>	<b>16,931</b>
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 Annexure IV, I, II and III.						

**ANNEXURE – G  
STATEMENT OF FIXED ASSETS**

(Amt in ₹)

PARTICULARS	As at					
	30-09-216	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
<b>(i) Tangible Assets</b>						
Freehold Land	18,50,100	18,50,100	18,50,100	18,50,100	18,50,100	18,50,100
Leasehold Land	4,74,366	4,77,386	4,83,428	4,89,470	4,95,512	5,01,554
Factory Building	6,76,67,285	7,11,28,296	4,49,96,486	4,67,90,981	2,36,33,809	2,46,11,035
Office Equipment	-	-	-	83,25,850	90,16,344	94,55,290
Plant and Machinery	11,74,47,314	11,55,96,613	11,43,84,300	12,68,99,745	10,08,57,965	10,26,47,907
Furniture and Fixtures	14,96,769	6,95,679	8,01,607	9,07,535	10,17,484	11,33,608
Vehicles	79,20,621	85,78,604	77,23,332	50,08,152	48,51,655	58,81,678
Misc Fixed Assets	2,94,32,858	3,01,31,726	2,96,26,540	-	-	-
<b>Total Tangible Assets</b>	<b>22,62,89,312</b>	<b>22,84,58,404</b>	<b>19,98,65,796</b>	<b>19,02,71,834</b>	<b>14,17,22,869</b>	<b>14,60,81,171</b>
<b>(ii) Intangible Assets</b>						
Software's	44,577	89,154	2,00,766	3,12,502	4,29,248	5,66,018
Capital Work-in-Progress	-	-	2,58,72,557	2,26,00,075	6,86,14,944	6,03,15,529
Intangible assets under development	-	-	-	-	-	-
<b>Grand Total</b>	<b>22,63,33,889</b>	<b>22,85,47,558</b>	<b>22,59,39,119</b>	<b>21,31,84,411</b>	<b>21,07,67,061</b>	<b>20,69,62,718</b>
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 Annexure IV, I, II and III.						

**ANNEXURE – H  
STATEMENT OF NON-CURRENT INVESTMENTS**

(Amt in ₹)

Particulars	As at											
	30-09-2016		31-03-2016		31-03-2015		31-03-2014		31-03-2013		31-03-2012	
	Amount	Amount	Amount	No of Shares	Amount	No of Shares	Amount	No of Shares	Amount	No of Shares	Amount	No of Shares
Non Current Investment	-	-	-	-	-	-	-	-	-	-	-	-
Investment in Un	-	-	-	-	-	-	-	-	-	-	-	-



Listed Equity Shares													
NSC	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
Notes													
1. The figures mentioned in the bracket represent absolute number of shares.													
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 Annexure IV, I, II and III.													

**ANNEXURE – I**  
**STATEMENT OF LONG-TERM LOANS AND ADVANCES**

(Amt in ₹)

PARTICULARS	As at					
	30-09-2016	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
<b>Unsecured, Considered Good unless otherwise stated</b>						
Security Deposit Given		-	-	-	-	-
Capital Advances	107,289	1,07,289	1,07,289	3,36,036	5,53,231	5,53,231
Other Advances	-	-	-	-	-	-
Loans & Advance to related Parties	-	-	-	-	-	-
<b>Total</b>	107,289	1,07,289	1,07,289	3,36,036	5,53,231	5,53,231
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 Annexure IV, I, II and III.						
3. List of persons/entities classified as 'Promoters' and '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.						

**ANNEXURE – J**  
**STATEMENT OF INVENTORIES**

(Amt in ₹)

PARTICULARS	As at					
	30-09-2016	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
<b>Particulars</b>						
Raw Material	3,50,17,653	33,47,045	1,33,94,802	1,71,13,777	82,74,370	2,52,04,181
Packing Material	-	-	-	-	-	-
Stock-in-Process and Semi Finished Goods	1,07,41,058	40,28,099	2,18,63,195	2,06,10,739	5,55,96,300	5,64,11,819
Finished Goods	75,00,462	2,40,30,509	1,52,74,290	5,14,275	43,64,495	1,12,000
Consumable items, Stores & Spares Parts	16,43,765	1,85,03,470	1,25,60,489	32,13,883	59,83,949	61,82,490
Other Consumables	-	-	-	-	-	-
Inventory of Trading Goods	-	-	-	-	-	-
<b>Total</b>	<b>5,49,02,937</b>	<b>4,99,09,122</b>	<b>6,30,92,775</b>	<b>4,14,52,674</b>	<b>7,42,19,113</b>	<b>8,79,10,490</b>
Note:- As per Management Explanation, Inventory has been physically verified by the management of the Company at the end of respective year.						

**ANNEXURE – K**  
**STATEMENT OF TRADE RECEIVABLES**

(Amt in ₹)

PARTICULARS	As At					
	30-09-2016	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
<b>Outstanding for a period exceeding six months (Unsecured and considered Good)</b>						

From Directors/Promoters/ Promoter Group/Associates/ Relatives of Directors/ Group Companies.	-	-	-	-	-	-
Others	1,57,91,021	49,55,772	37,14,817	29,02,585	61,14,546	84,69,161
(Unsecured and considered Doubtful)						
From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies.	-	-	-	-	-	-
Others	-	-	-	-	-	-
<b>Outstanding for a period not exceeding 6 months (Unsecured and considered Good)</b>						
From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies.	-	-	-	-	-	-
Others	22,06,95,596	15,68,02,879	10,12,31,103	10,49,48,495	11,56,40,706	13,37,28,797
<b>Total</b>	<b>23,64,86,617</b>	<b>16,17,58,651</b>	<b>10,49,45,920</b>	<b>10,78,51,080</b>	<b>12,17,55,252</b>	<b>14,21,97,958</b>
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 Annexure IV, I, II and III.						
3. List of persons/entities classified as 'Promoters' and '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.						

**ANNEXURE – L  
STATEMENT OF CASH & CASH EQUIVALENTS**

(Amt in ₹)

PARTICULARS	As at					
	30-09-2016	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
Cash in Hand (As Certified by Management)	9,28,734	3,92,627	27,83,291	34,64,910	43,09,547	30,84,176
Balances with Banks						
- In Current Accounts	10,35,447	3,74,190	7,87,432	5,49,406	5,68,338	26,13,541
- In Bank Deposits	2,17,83,775	2,29,14,213	2,01,99,096	3,30,60,562	3,41,01,992	14,94,741
<b>Total</b>	<b>2,37,47,956</b>	<b>2,36,81,029</b>	<b>2,37,69,819</b>	<b>3,70,74,879</b>	<b>3,89,79,877</b>	<b>71,92,458</b>
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 Annexure IV, I, II and III.						
3. Balances in Bank deposits are under lien with Banks against Bank Guarantee issued favoring to the Customers of Company.						

**ANNEXURE – M  
STATEMENT OF SHORT-TERM LOANS AND ADVANCES**

(Amt in ₹)

PARTICULARS	As at					
	30-09-2016	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
<b>Unsecured, Considered Good unless otherwise stated</b>						
Advance Recoverable in Cash or Kind	2,35,75,894	54,55,380	2,46,09,370	1,88,35,432	63,59,045	63,34,078
Capital Advances	-	-	-	-	-	-

Deposits	-	-	-	-	-	-
MAT Credit Entitlement	61,66,228	43,87,060	21,90,087	13,08,307	7,04,847	5,12,897
Other Advances	19,50,659	14,30,436	20,02,426	9,35,895	26,17,362	74,05,340
<b>Total</b>	<b>3,16,92,781</b>	<b>1,12,72,876</b>	<b>2,88,01,883</b>	<b>2,10,79,634</b>	<b>96,81,254</b>	<b>1,42,52,315</b>
<b>Notes</b>						
1. None of the Short term loans and advances are recoverable from Directors/Promoters/Promoter Group/Associates/Relatives of Directors/ Group Companies.						
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 Annexure IV, I, II and III.						
4. 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.						

**ANNEXURE – N**  
**STATEMENT OF OTHER CURRENT ASSETS**

(Amt in ₹)

PARTICULARS	As at					
	30-09-2016	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
Security Deposit	1,48,92,803	88,80,842	52,84,674	38,70,980	1,41,62,801	1,57,67,051
Prepaid Expenses	33,86,752	55,29,714	32,58,036	28,52,356	2,44,743	43,044
<b>Total</b>	<b>1,82,79,555</b>	<b>1,44,10,556</b>	<b>85,42,710</b>	<b>67,23,336</b>	<b>1,44,07,544</b>	<b>1,58,10,095</b>
<b>Notes:-</b>						
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 Annexure IV, I, II and III.						

**ANNEXURE – O**  
**STATEMENT OF OTHER INCOME**

(Amt in ₹)

Particulars	For the year ended					
	30-09-2016	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
Related and Recurring Income:						
Interest Income	14,47,150	39,04,352	49,47,983	40,96,835	35,46,292	19,18,531
Rent received	50,000	1,20,000	1,20,000	60,000		
Income Related to Previous Year	0		12,052			
Discount Received	14,256	1,02,904	68,411	1,86,484	5,50,199	13,36,733
Other non Operating Income (net of Expenses directly attributable to such income)	-	50,630	5,009	(5,193)	32,846	35,525
<b>Total</b>	<b>15,11,406</b>	<b>41,77,885</b>	<b>51,53,455</b>	<b>43,38,125</b>	<b>41,29,336</b>	<b>32,90,788</b>
<b>Notes:-</b>						
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 Annexure IV, I, II and III.						

**ANNEXURE –P**  
**STATEMENT OF TURNOVER**

(Amt in ₹)

Particulars	For the year ended					
	30-09-2016	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
(i) Turnover of Products	22,22,27,576	47,70,25,094	43,25,82,733	40,69,85,436	36,87,62,238	32,19,97,646

Manufactured by the Issuer Company						
(ii) Turnover from Sale of Scrap by the Issuer Company	-	8,91,315	11,06,594	83,14,204	20,88,714	86,09,828
(iii) Turnover of Products Traded by the Issuer Company	-	-	-	2,07,61,564	3,87,46,478	1,13,77,332
*(iv) Turnover in respect of Products not Normally dealt in by the Issuer Company but included in (iii) above	-	-	-	-	-	-
(v) Turnover in respect of sale of Turnkey Project Related Goods	4,09,32,002	8,80,99,059	2,99,78,409	-	-	-
(vi) Turnover form sale of services	1,33,32,232	2,32,35,404	1,03,66,885	-	-	-
(vii) Other Operating Income	76,53,797	1,82,25,599	1,06,55,773	1,11,96,888	82,74,054	46,68,954
<b>Total</b>	<b>28,41,45,606</b>	<b>60,74,76,472</b>	<b>48,46,90,394</b>	<b>44,72,58,092</b>	<b>41,78,71,484</b>	<b>34,66,53,759</b>

\*As per information provided to us by the Issuer, there is no such item.

**ANNEXURE – Q**  
**STATEMENT OF MANDATORY ACCOUNTING RATIOS**

(Amt in ₹)

Particulars	As at					
		31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
Net Worth (A)	10,95,42,263	10,09,85,727	9,30,84,980	9,09,41,761	5,22,03,459	5,02,18,792
Restated Profit after tax	85,56,536	79,00,747	23,70,673	20,10,651	19,84,668	(23,71,330)
Less: Prior Period Items	-	-	-	-	-	-
Adjusted Profit after Tax (B)	85,56,536	79,00,747	23,70,673	20,10,651	19,84,668	(23,71,330)
Number of Equity Share outstanding as on the End of Year/Period ( C )	43,24,200	10,81,050	10,81,050	10,81,050	6,48,960	6,48,960
Weighted average no of Equity shares at the time of end of the year ( D )	43,24,200	43,24,200	43,24,200	38,93,294	25,95,840	25,92,449
Current Assets (E)	36,51,09,847	26,10,32,235	22,91,53,107	21,41,81,603	25,90,43,039	26,73,63,315
Current Liabilities (F)	30,28,71,961	20,68,87,577	21,04,19,604	18,49,52,928	25,31,84,943	26,45,26,803
Face Value per Share (in Rs.)	10	10	10	10	10	10
Restated Basic and Diluted Earnings Per Share (Rs.) (B/D)	1.98	1.83	0.55	0.52	0.76	(0.91)
Refer Note 1 given below						
Return on Net worth (%) (B/A)	7.81	7.82	2.55	2.21	3.80	(4.72)
Net asset value per share (A/C)	25.33	93.41	86.11	84.12	80.44	77.38
Adjusted Net asset value per share based on Weighted average number of share (A/D)	25.33	23.35	21.53	23.36	20.11	19.37
Current Ratio (E/F)	1.21	1.26	1.09	1.16	1.02	1.01
Note:-						
1. Earnings per share = Profit available to equity shareholders/ weighted average number of outstanding of equity shares during the year. For the purpose of calculating of weighted average number of shares outstanding prior to Bonus Shares and Right Issue, for the earlier years, Ratio of bonus and right factor applied on closing number of share outstanding as on the end of respective years.						
2. Diluted Earnings per share = Profit available to equity shareholders/ weighted avg number of potential equity shares						

outstanding during the year.
3. Weighted Average number of outstanding Equity Shares has been calculated in terms of the requirement of Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006.
4. Return on Net worth (%) = Profit available for Equity shareholders/Net worth X 100.
5. Current Ratio= Current Assets/ Current Liabilities.
6. The company does not have any revaluation reserves or extraordinary items
7. As there is no dilutive capital in the company, Basic and Diluted EPS are similar.
8. Net Profit, before extra ordinary items as appearing in the Statement of restated profits and losses, and Net Worth as appearing in the restated statement of Assets & Liabilities has been considered for the purpose of computing the above ratios.
9. Net asset value per share (Face value of Rs. 10 each) has been computed considering the outstanding number of share as at the end of year.
10. Net worth for ratios mentioned represent equity share capital and reserves and surplus. Refer Annexure A for components of Reserves and Surplus.

**ANNEXURE – R**  
**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	R.K. Steel Industries					
		Neha Steel					
		Synergy Solar System					
		Acme Meta Wires Pvt Ltd.					
		Rajasthan Fitting House Pvt Ltd.					
2)	Key Management Personnel's:	Mr. Ankit Agrawal (WTD)					
		Mr. Ashok Agarwal (MD)					
		Mr. Shiv Charan Maheshwari (CFO)					
		Ms. Priyanka Gattani (CS)					
		Mrs. Neha Agarwal (ED)					
3)	Relative of Key Management Personnel's:	I P Agarwal					
		Atika Agarwal					
		Ankit Kumar Agarwal (HUF)					
		Ashok Kumar Agarwal (HUF)					
		Parwati Bai Agarwal					
		Santosh Agarwal					
		Amit Agarwal					
		Rajendra Agarwal					
		Vitthal Das Agrawal					
		Vitthal Das Agarwal (HUF)					
4)	Directors:	Mr. Ankit Agrawal					
		Mr. Ashok Agarwal					
		Mrs. Neha Agarwal					
Sr. No.	Nature of Transaction	30/09/2016	31/03/2016	31/03/2015	31/03/2014	31/03/2013	31/03/2012
	<b>Directors remuneration</b>	<b>9,00,000</b>	<b>15,00,000</b>	<b>15,00,000</b>	<b>15,00,000</b>	<b>9,00,000</b>	<b>9,00,000</b>
	Mr. Ankit Agrawal	3,00,000	6,00,000	6,00,000	6,00,000	3,00,000	3,00,000
	Mr. Ashok Agarwal	6,00,000	9,00,000	9,00,000	9,00,000	6,00,000	6,00,000
	<b>Purchases</b>	<b>19,35,669</b>	<b>14,83,740</b>	<b>36,30,123</b>	<b>17,37,997</b>	<b>79,48,024</b>	<b>10,83,665</b>
	Neha Steel	-	-	-	-	37,59,222	-
	Acme Metawire P Ltd.	12,33,159	14,83,740	36,30,123	17,37,997	41,88,802	10,83,665
	Synergy Solar	7,02,510					

	Solution						
	<b>Sale</b>	-	-	-	-	-	-
	<b>Loan Taken</b>	<b>2,51,07,048</b>	<b>4,11,31,400</b>	<b>8,60,57,193</b>	<b>2,41,52,229</b>	<b>4,82,54,927</b>	<b>9,66,89,953</b>
	Vitthal Das Agarwal (HUF)	-			-	-	1,50,000
	Santosh Agarwal	52,94,000	30,99,000	52,75,000	93,89,500	50,73,179	5,33,17,000
	Ankit Agrawal	94,40,360	1,99,91,244	2,25,43,419	1,06,03,028	2,33,20,000	1,90,48,751
	Ashok Agarwal	57,45,000	75,64,197	1,75,80,291	21,47,750	1,23,61,748	1,33,80,000
	Neha Agrawal	-	1,23,878	31,62,100	11,951	59,15,000	46,00,000
	Vitthal Das Agrawal	-	1,70,000	13,95,000	-	-	
	Atika Agarwal	-	-	-	-	-	1,00,000
	Parwati Bai Agarwal	-	5,79,464	6,05,000	90,000	65,000	
	Ashok Kumar Agarwal (HUF)	2500	-	-	-	-	11,04,564
	Ankit Agrawal (HUF)	-	-	-	-	-	1,50,000
	Rajasthan Fitting House Pvt Ltd	-	-	-	60,000	-	1,39,638
	Amit Agarwal	15,00,000	-	-	-	3,20,000	
	Acme Metawire P Ltd.	19,70,000	96,03,617	3,54,96,383	18,50,000	12,00,000	47,00,000
	<b>Loan Repaid</b>	<b>2,23,01,081</b>	<b>5,38,31,681</b>	<b>9,39,48,676</b>	<b>5,87,21,139</b>	<b>7,17,31,718</b>	<b>5,94,22,686</b>
	Ankit Agrawal	11,93,528	2,28,48,956	1,92,82,634	1,44,00,677	2,21,53,512	1,75,93,418
	Ashok Agarwal	68,10,000	1,07,65,894	1,27,73,368	48,68,749	1,11,18,401	1,84,20,787
	Neha Agrawal	30,000	15,80,208	17,83,891	8,42,146	50,50,000	46,73,655
	Santosh Agarwal	86,75,050	98,32,455	2,03,12,162	3,00,67,840	2,83,95,986	1,22,29,424
	Vitthal Das Agarwal (HUF)	3000	-	189284	-	-	-
	Vitthal Das Agrawal	40,000	7,49,293	8,45,024	-	-	-
	Parwati Bai Agarwal	-	8,35,000	4,05,712	3,29,800	-	-
	Purshottam Kumar Agarwal (HUF)	-	-	-	50,34,025	-	-
	Ankit Agrawal (HUF)	-	-	-	1,70,000	-	-
	Atika Agarwal	-	-	-	2,69,450	-	-
	Rajendra Agarwal	-	-	-	6,86,800	2,43,000	-
	Rajasthan Fitting House Pvt Ltd	-	-	-	60,000	1,34,235	5,402
	Ashok Agarwal (HUF)	-	-	-	12,24,850	-	-
	Acme Metawire P Ltd.	30,02,353	72,19,876	3,83,56,601	7,66,802	46,36,584	65,00,000
	<b>Interest Paid</b>	<b>-</b>	<b>18,27,617</b>	<b>26,10,132</b>	<b>56,06,944</b>	<b>64,02,523</b>	<b>72,94,336</b>
	Ankit Agrawal	-	6,30,376	2,26,623	9,68,361	-	-
	Ankit Agrawal (HUF)	-	-	-	22,604	-	-
	Ashok Agarwal	-	7,13,868	2,33,668	2,07,641	3,52,262	14,50,064
	Ashok Agarwal (HUF)	-	-	-	1,32,895	-	-
	Neha Agrawal	-	1,02,083	67,913	-	-	-
	Parwati Bai Agarwal	-	-	55,536	37,077	-	-

	Santosh Agarwal	-	3,26,972	19,52,102	42,07,998	60,50,261	58,44,272
	Vitthal Das Agrawal	-	54,318	74,290	5,578	-	-
	Vitthal Das Agarwal (HUF)	-	-	-	24789	-	-
	<b>Rent Payment</b>	<b>1,50,000</b>	<b>3,00,000</b>	<b>1,80,000</b>	<b>1,80,000</b>	<b>1,80,000</b>	<b>1,80,000</b>
	Ankit Agrawal	1,50,000	3,00,000	1,80,000	1,80,000	1,80,000	1,80,000
	<b>Job Charges</b>	<b>7,02,510</b>	<b>19,79,618</b>	<b>40,91,308</b>	<b>19,10,818</b>	<b>28,42,067</b>	<b>31,98,233</b>
	R.k. Industries	7,02,510	19,79,618	40,91,308	19,10,818	28,42,067	31,98,233
	<b>Personal Guarantee from MD</b>	-	-	-	-	-	-
	<b>Salary Payment</b>	-	-	-	-	<b>2,04,000</b>	<b>2,04,000</b>
	Neha Agrawal	-	-	-	-	2,04,000	2,04,000
	Corporate Guarantee for/from enterprises in which relative of Key Management Personnel having significant influence.	-	-	4,50,00,000	5,00,00,000	5,00,00,000	4,50,00,000
<b>Notes:</b>							
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 Annexure 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.							

**ANNEXURE – S**  
**STATEMENT OF CAPITALISATION**

(Amt in ₹)

Particulars	Pre- Offer	Post- Offer
	30-09-2016	
Debt		
Short Term Debt	10,04,72,378	10,04,72,378
Long Term Debt	17,14,63,378	17,14,63,378
<b>Total Debt</b>	<b>27,19,35,756</b>	<b>27,19,35,756</b>
Shareholders' Fund (Equity)		
Share Capital	4,32,42,000	5,09,22,000
Reserves & Surplus	6,63,00,263	7,80,56,263
Less: Miscellaneous Expenses not w/off	-	
<b>Total Shareholders' Fund (Equity)</b>	<b>10,95,42,263</b>	<b>12,41,59,485</b>
Long Term Debt/Equity	1.57	1.31
<b>Total Debt/Equity</b>	<b>2.48</b>	<b>2.15</b>
<b>Notes:</b>		
1. Short term Debts represent which are expected to be paid/ payable within 12 months and excludes installment of term loans repayable within 12 months.		
2. Long term Debts represent debts other than Short term Debts as defined above but includes installment of term loans repayable within 12 months grouped under other current liabilities		
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 30-06-2016		
4. For calculation of post Offer Capitalization Statement, The figure of Short term/long term debt as appearing on 30-06-2016 has only been considered.		

**ANNEXURE – T**  
**STATEMENT OF TAX SHELTER**

(Amt in ₹)

Particulars	As at					
	30-09-2016	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
Net Profit/(Loss) before taxes (A)	77,34,365	1,17,21,047	34,93,346	30,63,339	8,37,536	2,06,214
Tax Rate Applicable %	30.90%	30.90%	30.90%	30.90%	30.90%	30.90%
Minimum Alternate Taxes (MAT)	19.06%	20.39%	19.06%	19.06%	19.06%	19.06%
Adjustments						
Add: Depreciation as per companies act, 1956	78,79,375	1,35,42,611	1,25,01,553	1,05,20,733	97,93,938	80,14,600
Add: Expenditure on Account of Interest on Delay payment of TDS and non Payment/Short payment of TDS	0	19,402	1,40,806	1,17,174	-	-
Add: Expenditure on Account of Interest on Delay payment of Income Tax	0	26,032	13,636	-	-	-
Add: Loss on sale of Fixed Assets	-	-	-	5,194	-	-
Add: Expenses on Which TDS not Deducted	-	14,400	-	-	77,372	83,38,269
Add: Penalties under Various laws	0	2,12,295	56,948	27.0	-	4,764
Add: Various Expenditure Disallowed	0		70,464	50,200	21,23,496	2,78,645
Add: Provision for Gratuity - Disallowed u/s 43B (b)	5,74,749	(3,46,645)	2,49,402	85,514	1,75,881	5,43,553
Add: Leasehold Amortized	-	6,043	6,043	6,043	6,043	6,043
Add: Preliminary Expenses disallowed as per Income Tax Act, 1961						-
Less: Depreciation as per Income Tax Act, 1961	56,42,123	2,20,28,463	2,11,33,069	1,82,67,376	1,69,02,839	1,63,73,869
Less : Amount previously disallowed, but allowed in current year		-	-	-	72,94,336	
Less: Profit on sale of Fixed Assets		50,630	5,009		28,781	
Less: Brought Forward Business Loss/ Unobserved Depreciation		32,30,904	-	-	-	9,35,509
Net Adjustments (B)	28,12,001	(118,35,860)	(80,99,226)	(7,482,491)	(12,049,226)	(123,503)
Business Income (A+B)	1,05,46,366	(1,14,813)	(46,05,880)	(44,19,152)	(1,12,11,690)	82,710
Less- Deduction under Sec 35 AD	-	-				
<b>Total Taxable Income</b>	<b>10546366</b>	<b>(1,14,813)</b>	<b>(46,05,880)</b>	<b>(44,19,152)</b>	<b>(1,12,11,690)</b>	<b>82,710</b>
Tax Payable as per Normal Rate	3,258,827	(35,477)	(14,23,217)	(13,65,518)	(34,64,412)	25,557
Tax Payable as per Special Rate		-	-	-	-	-
Tax as per Income Tax (C)		(35,477)	(14,23,217)	(13,65,518)	(34,64,412)	25,557
Book Profits for MAT						
- net profit as per P&L	7,734,365	1,17,21,047	34,93,346	30,63,339	8,37,536	2,06,214
- interest disallowed		1,23,755	37,313	1,17,174	-	-
- TDS defaults as per 26AS		-	-	-	-	-



Total Book Profit for MAT	7,734,365	1,18,44,802	35,30,659	31,80,513	8,37,536	2,06,214
Tax Payable as per Minimum Alternate Tax U/s 115 JB of the Income Tax Act, 1961 (D)	1,474,170	24,15,019	6,72,767	6,06,047	1,59,592	39,294
Net Tax (Higher of C & D)	3,258,827	24,15,019	6,72,767	6,06,047	1,59,592	39,294
Opening Balance of Mat Credit	4,235,229	18,20,210	11,47,443	5,41,396	3,81,804	3,68,067
Mat Credit Available for Subsequent Year out of CY Taxes	(3,258,827)	24,15,019	6,72,767	6,06,047	1,59,592	13,737
Cumulative MAT Credit Availment	976,402	42,35,229	18,20,210	11,47,443	5,41,396	3,81,804
MAT Credit Utilization		-	-	-	-	-
Current tax as per restated Statement of Profit & Loss	1,779,171	21,96,970	8,81,780	6,01,150	1,94,260	1,44,830
1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company, Income Tax Depreciation was recalculated due to regrouping of Assets and capitalization of few payment expenses from Revenue to Fixed Assets, due to which depreciation was recalculated and revised depreciation considered for above calculation.						
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.						

**ANNEXURE – U**  
**RESTATED SUMMARY STATEMENT OF CONTINGENT LIABILITIES**

(Amt in ₹)

Particulars	As at					
	30-09-2016	31/03/2016	31/03/2015	31/03/2014	31/03/2013	31/03/2012
Contingent liabilities in respect of:						
Claims against the company not acknowledged as debts		-	-	-	-	-
Bank Guarantee issue to third Parties by Bank	13,87,77,924	13,72,92,982	11,96,16,138	10,25,48,918	5,70,38,247	8,79,27,505
Guarantees given for others	-	-	-	5,00,00,000	5,00,00,000	4,50,00,000
Buyers Credit in Foreign Currency	-	11,81,998				
Other moneys for which the company is contingently liable	10,05,000	-	-	-	-	-
Commitments (LC issued to third parties by Bank)	1,37,07,528	2,26,91,587	1,46,41,819	-	-	-
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-	-	-	-	-
Uncalled liability on shares and other investments partly paid	-	-	-	-	-	-
Other Claims against the company under appeal	1,77,249	1,77,249	-	8,69,023	8,69,023	2,75,000
<b>Total</b>	<b>15,36,67,701</b>	<b>16,13,43,817</b>	<b>13,42,57,958</b>	<b>15,34,17,941</b>	<b>10,79,07,270</b>	<b>13,32,02,505</b>
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 Annexure IV, I, II and III.						

**STATEMENT OF FINANCIAL INDEBTEDNESS**

To,  
The Board of Directors,  
RMC Switchgears Limited (Formerly Known as RMC Switch Gears Limited)

Dear Sirs,

The principal terms of loans and assets charged as security as on 30<sup>st</sup> September 2016 is as given below:

**A. Secured Loan**

(₹ In Rs.)

**STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY**

Name of Lender	Purpose	Sanction Amount /Takeover amount	Rate of interest	Securities offered	Re-payment	Moratorium	Outstanding amount as on 30-09-16 as per Books	
The Federal Bank Ltd.-Sanghi Upasana Tower C-Scheme, Jaipur, Rajasthan	Cash Credit	200.00	12.5%	Secured by way of hypothecation of all inventories, book-debts and other receivables of the company. Also secured by way of first charge ranking pari passu on all immovable assets of the company, both present and future and personal guarantees of Ashok Agarwal, Ankit Agarwal and VD Agarwal, Directors of company. Collateral charge by way of factory building at MIA, Jaipur and additional charges on Land & Building at Chaksu and personal guarantee of directors.			100472377	
		700.00	BR+2.55%					
	Term Loan	200.00	BR+4.03%		Equitable Mortgage on entire fixed assets situated in Malviya Industrial Area, and Tehsil Chaksu, Jaipur. Personal guarantees of Ashok Agarwal, Ankit Agarwal and VD Agarwal, Directors of company.	Repayable in 72 monthly Instalments in 7 years commencing from the 2 <sup>nd</sup> Year.		10811673
		40.00	BR+2.55%=12.05		Equitable Mortgage on entire fixed	Repayable in 36		

			%	assets situated in Malviya Industrial Area, and Tehsil Chaksu, Jaipur. Personal guarantees of Ashok Agarwal, Ankit Agarwal and VD Agarwal, Directors of company.	monthly Instalments.			
Small Industries Development Bank of India (SIDBI)	Term Loan	300.00	15%	Secured By way of second charge on the movable assets of the company. And further secured by personal guarantees of Ashok Agarwal, Ankit Agarwal, Smt. Santosh Agarwal and VD Agarwal, Directors of company.	Repayment in 48 Monthly Instalments commencing from July, 2017.		3,00,00,000	
L&T finance Ltd.	Term Loan	115	13%	Secured by way of hypothecation of plant and machinery (SANTEC MAKE, HYDRAULIC COMPRESSION MOULDING PRESS-1000 TONS) of the company.	Repayable in Equated monthly instalments of Rs. 396550/- each.		50,37,128	
<b>Total</b>								

**B.Vehicle Loan**

Name and Relationship of Lender	Purpose	Rate of Interest	Repayment	Outstanding Amount in Lacs as per Books as on 30-09-2016
ICICI (Indica) Loan(LAJAI00034168043)	Vehicle Loan	10.01%	Repayable in monthly installments of Rs.12315/- each at Interest rate of 10.01% p.a.	3,15,163
ICICI (Indigo) Loan (LAJAI00033991087)	Vehicle Loan	10.01%	Repayable in monthly installments of Rs.15168/- each at Interest rate of 10.01% p.a.	3,76,659
ICICI Bank Ltd- ICICI Innova (6336) Loan A/c No. LAJAI00029886690	Vehicle Loan	10.51%	Repayable in Equated Monthly Installment of Rs. 39009/- Each at interest rate of 10.51%,	4,77,337
Axis Bank Ltd.	Vehicle Loan	10.50%	Repayable in Equated Monthly Installment of Rs. 42500/- Each at interest rate of 10.50%.	14,25,136
Reliance Capital Ltd. Account No. RLUMJAI000273232	Vehicle Loan	17.02%	Repayable in 36 Equated monthly installments of Rs. 21183/- . Interest rate is 17.02%p.a.	1,47,725

Reliance Capital Ltd. Account No. RLUMJAI000273235	Vehicle Loan	17.02%	Repayable in 36 Equated monthly installments of Rs. 28030/- . Interest rate is 17.02%p.a.	2,60,593
HDFC Car Loan (Hyundai I20)(35460869)	Vehicle Loan	10.15%	Repayable in Equated monthly installments of Rs.17786/- each at interest rate of 10.15% p.a.	3,99,264
Kotak Mahindra Prime Ltd.	Vehicle Loan	12.50%	Repayable in Equated Monthly Installment of Rs. 18470/- Each,	1,40,468
ICICI Truck (3391)Loan A/C No. LVJAIooo27153566	Vehicle Loan	11.74%	Repayable in Equated Monthly Installment of Rs. 18470/- Each,	1077

### C. Un Secured Loan

Name and Relationship of Lender	Purpose	Rate of Interest	Repayment	Outstanding Amount in Lacs as per Books as on 30-09-2016
<b>Sh.Ashok Kumar Agarwal</b>	Working Capital Margin	15%	Repayable on demand	38,31,201.62
<b>Sh. Ankit Agarwal</b>	Working Capital Margin	15%	Repayable on demand	31,56,051
<b>Santosh Agarwal</b>	Working Capital Margin	15%	Repayable on demand	42,40,467
<b>Vitthal Das Agarwal</b>	Working Capital Margin	15%	Repayable on demand	1,01,886
<b>Standard Capital markets Limited</b>	Working Capital Margin	8%	Repayable on demand	11,07,300
<b>Shree Ram City Finance Ltd</b>	Working Capital Margin	15%	Repayable on demand	5,15,803
<b>Nightbird Tracom Pvt Ltd.</b>	Working Capital Margin	11%	Repayable on demand	20,00,000
<b>National Small Industries Corporation Ltd.</b>	RMA Scheme	15%	Repayable on demand	4,36,40,757
<b>Rajendra kumar Agarwal</b>	Working Capital Margin	15%	Repayable on demand	15,000

<b>Neha Agarwal</b>	Working Capital Margin	15%	Repayable on demand	61,875
<b>Fullerton India Credit Co Ltd(17352630000960)</b>	Working Capital Margin	12.56%	Repayable in 133 monthly installment of Rs. 6,77,383	4,51,56,674
<b>Fullerton India Credit Co Ltd(17352630000090)</b>	Working Capital Margin	11%	Repayable in 133 monthly installment of Rs. 24,893	17,65,482
<b>Dash Plastic Ltd</b>	Businesss Loan	-	Repayable on demand	1,144,621.00
<b>Bajrang Bali Pulses Pvt Ltd</b>	Businesss Loan	15%	Repayable on demand	3,067,500.00
<b>Nightbird Tradecom Pvt Ltd</b>	Businesss Loan	15%	Repayable on demand	2,000,000.00
<b>ShreeRam City Finance Ltd</b>	Businesss Loan	15%	Repayable on demand	515,803.00
<b>Amit Agarwal</b>	Businesss Loan	-	Repayable on demand	147,400.00

## 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 Prospectus. You should also read the section entitled “Risk Factors” beginning on page 15 and “Forward Looking Statements” beginning on page 14 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 September 30<sup>th</sup>, 2016 & fiscal years ended March 31, 2016, 2015, 2014, 2013 and 2012, including the schedules and notes thereto and the reports thereto, which appear in the section titled “Financial Information of the Company” on Page 146 of the 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 ISO 9001:2008 certified company primarily engaged in the business of designing and manufacturing of , Enclosures of Energy Meters, LT/HT Distribution Boxes and Panels, Junction Boxes, Feeder Pillars and other Power Distribution and Circuit Protection Switchgears made from Mild Steel, Stainless Steel in Fabrication and Deep Drawn Process along with Sheet Moulding Compound and Bulk Moulding Compound (DMC) materials. We are also undertaking work involving laying of energy transmission lines and establishing electric substation, fixing of new energy meters and shifting of existing energy meters from inside to outside etc in different regions of the country. In the fiscal year 2015-16 we have undertaken work of laying of power cable project for Churu, Sujangarh, Ladnu, Ratangarh, Sadulpur and Phalodi circles of Jodhpur Vidyut Vitran Nigam Limited - A Rajasthan State Government Company.

Our company was incorporated in year 1994 as “RFH Metal Castings Private Limited” under the provision of Companies Act, 1956 with the Registrar of Companies, Rajasthan, Jaipur. Our company was converted into a public limited company in year 2008 and further changed its name from RFH Metals Castings Limited to RMC Switch Gears Limited on March 30, 2009. Further, the name of our Company was changed from RMC Switch Gears Limited to RMC Switchgears Limited vide a fresh Certificate of Incorporation dated July 25, 2016 issued by the Registrar of Companies, Rajasthan, Jaipur.

We currently operate through our manufacturing facility located at 7 K.M. From Chaksu, Khotkawda Road, Village Badodiya, Tehsil Chaksu, Tonk Road, Jaipur-303901, Rajasthan. Our manufacturing facility located at Chaksu is well equipped with wide range of machineries and other handling equipments which ensures proper product handling and smooth running of the manufacturing process. We use the latest technologies in our production process which helps in timely manufacturing of quality products meeting required standards and also achieve cost effectiveness. Our company has in house testing laboratories to test the products as per quality standards and relevant material composition. All the incoming materials are tested and the final product has to pass through requisite quality tests so that they meet the desired quality standards. Additionally, MIA factory situated at B-11, (B&C), Malviya Industrial Area, Jaipur-302017, Rajasthan, India is used to perform job work for products manufactured at Chaksu. The said job work is performed by the Jobworkers in our factory premises.

Under the leadership of our Promoters we have strengthened our manufacturing capacity to cope with the changing market demand and upgrading the technology. With the experience of our Promoters & senior management we have been able to sustain and grow in the past. Our customer base includes many names from Indian private sector namely Larson & Toubro Limited, KEI Industries Limited, NCC Limited, IL&FS Engineering & Construction Co Ltd, BSES Ltd, IRCON Ltd, Drake & Scull Ltd, etc and state owned power utilities in the states of Rajasthan, Haryana, Uttar Pradesh, Madhya Pradesh, Punjab, Bihar, Karnataka, Gujarat, Uttaranchal and Assam.

Our Company has also undertaken work under the Central funded schemes such as RGGVY and R-APDRP schemes as well as the State funded schemes such as Feeder Separation Schemes providing trouble free electricity to both urban and rural areas.

For the period ended September 30<sup>th</sup> , 2016 & year ended on March 31, 2016, fiscal 2015, fiscal 2014 and fiscal 2013 our total revenue was 2609.65 Lakhs, 6074.76 Lakhs, 4846.90 Lakhs, 4472.58 Lakhs & 4178.71 Lakhs respectively. Further, our EBT for the Six months ended on September 30<sup>th</sup> , 2016 & twelve month ended March 31, 2016, fiscal 2015, fiscal 2014 and fiscal 2013 were 77.34 Lakhs, 117.21 Lakhs, 34.93 Lakhs, 30.63 Lakhs & 8.37 Lakhs respectively. We have been able to increase our revenue at an annual growth rate of 13.28% from fiscal 2013 until fiscal 2016 and our EBT has grown at 141.03% for the same period.

## **OUR COMPETITIVE STRENGTHS**

### **1) Large & Diverse Product Portfolio**

We are engaged in the manufacturing of the electrical accessories products. We are currently manufacturing a wide range of products like distribution Boxes, , Meter boxes with different specification, circuits breaker, fuse, clamps/connectors and many other electrical item which are used by the electricity distribution companies.

### **2) Established relationship with institutional customers**

Our company focuses on providing the customers with the desired quality and standard products. By providing the products with the desired quality and standards we aim to achieve highest level of customer satisfaction and procure repeated orders from customers.

### **3) Quality Assurance and Control**

We have received an ISO 9001:2008 certification on the quality management system of our company for designing and manufacturing of Electronic meters, LT Distribution boxes, meter boxes and other enclosures. We follow a practice of testing our products for the desired quality and customer requirement before dispatching the same to the customers. We perform test such as visual inspection, mechanical test, Insulation resistance test, Electrical operational test, Continuity test, high voltage and temperature test to ensure the quality and safety of the products.

### **4) Integrated manufacturing facility**

We do continuous endeavor to maintain the requisite infrastructure and technological up gradation for the smooth running of the manufacturing process as well as to cope with the changing market demand situation. There is a continuous change in the technology and the markets are very dynamic to the change in technology. We keep ourselves technologically upgraded with the latest machines and infrastructure.

### **5) Experienced Promoter and skilled workforce**

Our promoter namely; Mr. Ashok Kumar Agarwal, Mr. Ankit Agrawal & Mrs. Neha Agrawal have more than 38, 18 & 2 years of experience. Under their guidance, knowledge and business skills we have been able to successfully implement our business plans and achieve growth.

## **OUR BUSINESS STRATEGIES**

### **1) Leveraging Market Skills**

Under the leadership and experience of our Promoter namely Mr. Ankit Agrawal who is overseeing the marketing of the products and also handles the co-ordination with the various State Electricity Boards (SEBs) in the country we have been able to procure good orders. We aim to further leverage our marketing skills and relationships and further enhancing customer satisfaction. We also intend to further expand our client base by meeting orders in time and maintaining customer relationships.

## 2) 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.

## 3) Achieving Operational Efficiencies

Our company aims to achieve operational efficiencies through cost reduction. We believe that this could be done through economies of scale and further increasing our areas of operations. We continue to invest in latest technology to ensure operational and management efficiencies, and to standard to quality. Also, increasing our penetration in existing regions will enable us to penetrate into new catchment areas within these regions. As a result our company will be able to increase its market share and profitability.

## 4) Expand Distribution Network & Customer Base

Our company has presence in many parts of the country and aims to further increase its production capacity. We aim to widen our marketing network further to cover unexplored areas in India and strengthen our customer base.

### SWOT ANALYSIS:-

Strengths:	Weaknesses
<ul style="list-style-type: none"> <li>Quality of the products gives a market edge for most of the suppliers.</li> <li>Manufacturing of SMC enclosures, demand for which is continuously rising.</li> <li>Competitive edge in terms of quality and competitive bidding.</li> <li>The company has well knit marketing network.</li> <li>Long Experience of Promoter in the Field.</li> </ul>	<ul style="list-style-type: none"> <li>Company has to mainly depend on the financially weak SEBs for its sales. Though the payment is almost secure but the delay in payment is normal feature of some of the SEBs.</li> <li>Uncertainty and slow pace of reforms.</li> <li>Macroeconomic challengers which constrain public and private funding.</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>The Government is focusing on increasing the penetration of power supply in villages.</li> <li>Expansion of key industry sector like power, steel, petrochemicals, telecom and others.</li> <li>Per capita consumption of energy being relatively low, the growth potential for this industry in medium and long term is high.</li> <li>Replacement and retrofitting programmes.</li> <li>Government's focus on improving health of Electricity Boards through various schemes and other measures</li> </ul>	<ul style="list-style-type: none"> <li>Economical and Political scenario in the country.</li> <li>More preference to alternative material due to awakening for "Environmental Issues".</li> </ul>

### OUR LOCATION:-

<b>Registered Office&amp; Factory Premises</b>	7 K.M. From Chaksu, Khotkawda Road, Village Badodiya, Tehsil Chaksu, Tonk Road, Jaipur-303901, Rajasthan, India
<b>MIA Factory</b>	B-11, (B&C), Malviya Industrial Area, Jaipur-302017, Rajasthan, India

### OUR PRODUCT PORTFOLIO:-

#### 1. Distribution Boxes:-

Variants	Description
<ul style="list-style-type: none"> <li>LT Distribution Boxes for "X" Mers.</li> </ul>	The distribution boxes ensure protection to the transformers and LV



Single & Three Phase from 10KVA to 500 KVA <ul style="list-style-type: none"> <li>• LT Distribution Boxes for A.B. Cables. Single &amp; Three Phase from 100AMP to 250AMP</li> </ul>	side of the consumers with distribution of the various numbers of Circuits.
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**2. Energy Meter Boxes**

Variants	Description
<ul style="list-style-type: none"> <li>• LTCT Meter Boxes</li> <li>• Whole Current Meter Boxes</li> <li>• Meter Cum Protection Boxes</li> </ul>	<p>We manufacture high end quality single phase and three phase. Meter Boxes are prepared in Mild Steel (Fabricated and Deep Drawn)/ Stainless Steel/ Sheet moulding Compound and Polycarbonate. Some boxes have two separate compartments: One compartment is for 3Ph, 4 Wire energy meter and the other is for current transformer.</p>

**3. Circuit Breakers & Fuses**

Variants	Description
<ul style="list-style-type: none"> <li>• Moulded Case Circuit Breaker</li> <li>• Kitkat Fuses</li> <li>• HRC Fuse Base &amp; Link Disconnecter</li> <li>• Switch Disconnecter</li> </ul>	<p>The Moulded Case Circuit Breaker are manufactured with electrical grade SMC/DMC EC grade copper. Kitkat Fuses are made from Gujarat porcelain and sheet moulding compound and offered for the rural and domestic applications. HRC Fuse Base &amp; Link Disconnecter ranging from 150AMP to 630AMP in S-1 and S-2 sizes made of SMC &amp; DMC Material. Switch Disconnecters are exclusively used as main switch in low voltage switch gears for distribution of power. These are also used in isolating loads during maintenance operations. These products are available from 200AMP to 800AMP and are designed as pole modules and are available as 3 &amp; 4 pole versions, front or side operated.</p>

**4. FRP Pultruder Section**

Variants	Description
<ul style="list-style-type: none"> <li>• FRP Pultruded Ladders</li> <li>• FRP Fencing</li> <li>• FRP Gratings &amp; Cable Trays</li> <li>• FRP Sections for Infrastructures and other allied applications</li> </ul>	<p>The Fibre Reinforced plastics has recently replaced mild steel and many metal as traditionally we have seen ladders, cable tray's and partitions in mild steel or in aluminium which were very heavy, prone to corrosion and rusting, denting, theft prone and expensive. We at RMC has developed an entire range of pultruded FRP sections which have unlimited applications from doors, windows, cable trays, and even fencing which are colourful, strong, tamper proof, corrosion &amp; chemical resistant and easily cleanable. They are also very light which makes it easily movable and fire retardant.</p>

**5. Other Energy related Products:-**

Variants	Description
<ul style="list-style-type: none"> <li>• Pole Mounted street Light Boxes</li> <li>• Meter Boards &amp; BPL Kits</li> <li>• Feeder Pillars</li> </ul>	<p>These boxes are designed for street lamp system and are mounted between the lamp power supply network and light. These are fitted with the circuit breakers which cuts the light off when the fault occurs. SMC Polycarbonate Meter Boards, Base Plates and BPL Kits are used for installation of single phase and three phase energy meters. The BPL Kits are installed includes other equipments mainly CFL, Switch, Bulb Holder, Service Line, Earthing etc, and are installed for BPL connectors. Feeder Pillars are made of CRCA MS sheet SMC/FRP are made for low voltage power distribution equipment. These are used for managing various outgoing circuits</p>

**SALES AND MARKETING:-**

Sales and marketing is crucial in the success of our business. Most of our business and orders are awarded after tendering process. Our marketing and business development team under the leadership of our promoter namely Mr. Ankit Agrawal, who endeavor to make our bids competitive in order to maintain old clients as well as searching for new customer base and clientele. To retain our clients we regularly interact with them to gain insight into customized product requirements and bring innovation into our product offerings.

Backing by our strong commitment towards High Quality Products and timely Delivery Schedules we are able to secure repeated orders from our customers. Other than Govt. Companies, we have been doing most of our Sales through Letter of Credit or Advance payments. Major part of our sales is to the power distribution Utilities directly or indirectly. We always try to asses properly our customers' needs and keep on innovating up gradation for better performance of our products.

**Marketing strategies:-**

We intend to focus on following marketing strategies:

- Customized products as per customers' requirements
- Focus on existing markets & increasing our customer base
- Providing value added services

**COMPETITION:-**

Much of the market in which we operate comprises of organized players. The industry in which we operate is highly competitive and orders are awarded after tendering process. We believe that competitive pricing, product quality, technical ability, performance records and after sales services are the key factors in client decision among competitors. Our Company's major emphasis is on manufacturing of superior designed quality product at affordable price. Thus, due to consistent emphasis on quality and delivery, our Company has been receiving repeated orders from our customers.

Some of our major competitors are:-

1. Arun Enterprises
2. Stelmac Limited
3. Veto Switchgears and Cables Limited
4. Star Delta Transformers Limited
5. Salzer Electronics Limited
6. Sintex Industries Limited

**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 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 Mrs. Neha Agrawal as Additional Non Executive Director of the Company with effect from June 28, 2016 and reappointed as Executive Director of the Company with effect from September 08, 2016.
2. We have appointed Mr. Devi Shankar Goyal, Mr. Suresh Kumar Jain & Mrs. Radhika Agarwal as Additional Non Executive and Independent Director of the Company with effect from August 01, 2016. Regularised as Non Executive Independent Director with effect from September 08, 2016
3. We have changed the designation of Mr. Ashok Kumar Agarwal from Managing Director to Managing Director & Chairman of the Company with effect from July 16, 2016.
4. Change in name of the Company from RMC Switch Gears Limited to RMC Switchgears Limited vide a fresh certificate of incorporation dated July 25, 2016.
5. Addition in the Main object clause of the company vide a resolution dated July 16, 2016.

6. The authorized capital of the Company was increased from ₹ 2,00,00,000/- divided into 20,00,000 Equity Shares of ₹ 10/- each to ₹ 6,50,00,000/- divided into 65,00,000 Equity Shares of ₹ 10/- each vide shareholders Resolution dated June 08, 2016.
7. Company has allotted 32,43,150 Bonus Shares in the ratio of 3:1 to existing shareholders by capitalization ₹ 3,24,31,500 from Reserve and surplus vide shareholder resolution dated June 08, 2016.
8. We have passed a special resolution in shareholders meeting dated June 08, 2016 authorizing the Board of Directors to raise funds by making an Initial Public Offering up to 21 lakhs shares.
9. We have approved and taken into the record offer for sale of equity shares of the Company on the meeting of the Board of Director dated August 10, 2016.
10. We have appointed Mr. Shiv Charan Maheshwari as Chief Financial Officer of the Company with effect from July 01, 2016.
11. We have appointed Ms. Priyanka Gattani as Company Secretary & Compliance officer of the Company with effect from July 01, 2016.
12. A fire incident occurred at our factory premises at Chaksu on June 23, 2016 due to electric short circuit. Our company has estimated a loss of Rs. 177.60 Lakhs (Other than Stock) due to the said fire. We have submitted the requisite documents to the Surveyor & Assessor for claim settlement.

### **FACTORS AFFECTING OUR FUTURE RESULTS OF OPERATIONS:-**

Our results of operations could potentially be affected by the following factors amongst others:

1. Disruption in our manufacturing facilities.
2. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
3. Inability to successfully obtain registrations in a timely manner or at all;
4. Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
5. Disruption in supply of Raw Materials.
6. Changes in laws and regulations relating to the industries in which we operate;
7. Effect of lack of infrastructure facilities on our business;
8. Increased in prices of Raw Material
9. Occurrence of Environmental Problems & Uninsured Losses;
10. Our ability to successfully implement our growth strategy and expansion plans;
11. Our ability to meet our capital expenditure requirements;
12. Our ability to attract, retain and manage qualified personnel;
13. Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;
14. 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 prices;
15. Occurrence of natural disasters or calamities affecting the areas in which we have operations;
16. Conflicts of interest with affiliated companies, the promoter group and other related parties;
17. The performance of the financial markets in India and globally;
18. Any adverse outcome in the legal proceedings in which we are involved;
19. Our ability to expand our geographical area of operation;
20. Concentration of ownership among our Promoters.

### **Our Significant Accounting Policies:**

Our significant accounting policies are described in the section entitled “*Financial Information of the Company*” on page 146 of this Prospectus.

### **Change in accounting policies in previous 3 (three) years**

Except as mentioned in chapter “*Financial Information of the Company*” on page no. 146, there has been no change in accounting policies in last 3 (three) years.

### **Summary of the Results of Operations**

The following table sets forth financial data from restated profit and loss account for the financial Year ended on March 31, 2016, 2015, 2014, 2013 the components of which are also expressed as a percentage of total income for such periods.

(Amount in Rs.)

Particulars (For the Year ended)	30 <sup>th</sup> September 2016	% of Total Income	31st March 2016	% of Total Income	31st March 2015	% of Total Income	31st March 2014	% of Total Income	31st March 2013	% of Total Income	31st March 2012	% of Total Income
Revenue from Operation	25,94,53,620	99.42	55,43,56,145	99.25	45,22,87,245	98.87	40,43,74,375	98.94	37,86,68,391	98.92	31,55,75,139	98.97
Other Income	15,11,406	0.58	41,77,885	0.75	51,53,455	1.13	43,38,125	1.06	41,29,336	1.08	32,90,788	1.03
<b>Total Income</b>	<b>26,09,65,025</b>	100.00	<b>55,85,34,030</b>	100.00	<b>45,74,40,700</b>	100.00	<b>40,87,12,501</b>	100.00	<b>38,27,97,728</b>	100.00	<b>31,88,65,928</b>	100.00
Cost of Material Consumed	6,98,79,839	26.78	17,61,83,056	31.54	15,66,68,400	34.25	15,12,23,285	37.00	13,72,09,301	35.84	13,55,20,294	42.50
Purchases of Stock in trade	2,82,60,795	10.83	8,30,90,182	14.88	11,01,04,057	24.07	95,16,560	2.33	3,10,21,011	8.10	1,02,46,849	3.21
Changes in Inventories of finished goods, work in progress and stock -in-trade	98,17,088	3.76	90,78,877	1.63	(1,60,12,471)	(3.50)	3,88,35,781	9.50	(34,36,975)	(0.90)	(4,03,22,688)	(12.65)
Employee benefits expense	1,06,75,654	4.09	2,00,46,088	3.59	1,69,13,484	3.70	2,33,52,973	5.71	2,10,49,139	5.50	92,00,281	2.89
Finance costs	2,39,16,187	9.16	4,61,47,596	8.26	3,68,93,136	8.07	4,11,23,867	10.06	3,46,90,025	9.06	2,66,19,013	8.35
Depreciation and amortization expense	78,79,375	3.02	1,35,42,611	2.42	1,25,01,553	2.73	1,05,20,733	2.57	97,93,938	2.56	80,14,601	2.51
Administrative & Other exp.	10,28,01,722	39.39	19,87,24,574	35.58	13,68,79,195	29.92	13,15,41,658	32.18	15,16,33,753	39.61	16,93,81,365	53.12
<b>Total Expenses</b>	<b>25,32,30,661</b>	97.04	<b>54,68,12,984</b>	<b>97.90</b>	<b>45,39,47,354</b>	<b>99.24</b>	<b>40,61,14,857</b>	<b>99.36</b>	<b>38,19,60,192</b>	<b>99.78</b>	<b>31,86,59,714</b>	<b>99.94</b>
Net Profit before tax, exceptional & extraordinary items:	77,34,365	2.96	1,17,21,047	2.10	34,93,346	0.76	25,97,643	0.64	8,37,536	0.22	2,06,214	0.06
Exceptional/ Extra-ordinary items	0	0.00	-	0.00	-	0.00	(4,65,696)	(0.11)	-	0.00	-	0.00
<b>Net Profit before tax</b>	<b>77,34,365</b>	2.96	<b>1,17,21,047</b>	<b>2.10</b>	<b>34,93,346</b>	0.76	<b>30,63,339</b>	0.75	<b>8,37,536</b>	0.22	<b>2,06,214</b>	0.06
- Current Tax	17,79,171	0.68	21,96,970	0.39	8,81,780	0.19	6,01,150	0.15	1,94,260	0.05	1,44,830	0.05

- Deferred Tax Liability / (Asset)	(9,75,965)	(0.37)	38,20,300	0.68	11,22,673	0.25	10,52,688	0.26	(11,47,132)	(0.30)	25,72,983	0.81
-MAT Credit (Entitlement) /Set-Off	(1779171)	(0.68)	(21,96,970)	(0.39)	(8,81,780)	(0.19)	(6,01,150)	(0.15)	(1,94,260)	(0.05)	(1,44,830)	(0.05)
-Short/(Excess) Provision of Earlier Years	1,53,793	0.06	-	0.00	-	0.00	-	0.00	-	0.00	4,561	0.00
Restated profit after tax from continuing operations	85,56,536	3.28	<b>79,00,747</b>	1.41	<b>23,70,673</b>	0.52	<b>20,10,651</b>	0.49	<b>19,84,668</b>	0.52	<b>(23,71,330)</b>	(0.74)

### **Key Components of Company's Profit And Loss Statement**

**Revenue from sale of Goods:** Revenue from operations mainly consists of manufacturing, sale & designing of enclosures of Energy Meters, LT/HT Distribution Boxes and Panels, Junction Boxes, Feeder Pillars and other Power Distribution and Circuit Protection Switchgears.

**Other Income:** Other income primarily comprises of Interest Income.

**Expenses:** Company's expenses consist of cost of raw material consumed, employee benefits expense, finance costs, depreciation and amortization expense and Administration & other expenses.

**Change in inventories of finished Goods, WIP and Stock-in-Trade:** It includes inventory, WIP & finished goods of Boxes, Panels & switchgear.

**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 and other Finance charges.

**Depreciation and Amortization Expense:** We recognize Depreciation and Amortization expense on a Straight Line Method (SLM method) and Written down Value method (WDV) as per the provisions set forth in the Companies Act, 2013/ Companies Act, 1956, as applicable.

**Administration & Other Expenses:** Other expenses include electricity, freight, repairs, office maintenance exp, travelling and conveyance exp, telephone and internet exp and miscellaneous expenditure etc.

### **Financial Performance Highlights for the period ended 30<sup>th</sup> September, 2016**

#### **Total Income:**

The company's total income during the period ended September 30, 2016 was ₹ 2609.65 Lacs. The revenue from Sale of Material was ₹ 2594.53 Lacs which comprised 99.42 % of company's total income for the period ended September 30, 2016.

#### **Total Expenses:**

The total expenditure during the period ended September 30, 2016 was ₹ 2532.30 Lacs. The total expenditure represents 97.04% of the total revenue. The total expenses are represented by Cost of Material Consumed, Changes in Inventories of goods, Employee Benefits Expense, Finance Costs, Depreciation and Amortization Expense, Other Expenses for Administrative and Selling. The main constituent of total expenditure is Cost of Material Consumed, which is ₹ 698.80 Lacs.

#### **Profit/ (Loss) after tax:**

The restated net profit during the period ended September 30, 2016 was ₹ 85.56 Lacs representing 3.28% of the total revenue of the Company.

### **Financial Performance Highlights for the year ended 31<sup>st</sup> March, 2016**

#### **Total Income:**

The company's total income during year ended March 31, 2016 was ₹ 5585.43 Lacs. The revenue from Sale of Material was ₹ 5543.56 Lacs which comprised 99.25 % of company's total income for the year ended March 31, 2016.

#### **Total Expenses:**

The total expenditure during the year ended March 31, 2016 was ₹ 5468.12 Lacs. The total expenditure represents 97.90% of the total revenue. The total expenses are represented by Cost of Material Consumed, Changes in Inventories of goods, Employee Benefits Expense, Finance Costs, Depreciation and Amortization Expense, Other Expenses for Administrative and Selling. The main constituent of total expenditure is Cost of Material Consumed, which is ₹ 1761.83 Lacs.

**Profit/ (Loss) after tax:**

The restated net profit during the year ended March 31, 2016 was ₹ 79.00 Lacs representing 1.41% of the total revenue of the Company.

**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 ₹ 5543.56 Lacs as against ₹ 4522.87 Lacs in the year 2014-15, representing an increase of 22.57% of the total revenue. This increase was mainly due to increase in sale of Goods.

***Other Income:***

Other income of the Company for the year 2015-16 was ₹ 41.78 Lacs in comparison with ₹ 51.53 Lacs for F.Y. 2014-15.

***Total Expenses:***

The total expenditure for the year 2015-16 increased to ₹ 5468.12 Lacs from ₹ 4539.47 Lacs in year 2014-15, representing an increase of 20.46% to the previous year.

***Cost of Goods consumed:***

The Cost of Material Consumed for the year 2015-16 increases to ₹ 1761.83 Lacs from ₹ 1566.68 Lacs, representing a increase of 12.46% to the 2014-15.

***Employee Benefits Expense:***

The Employee Benefit Expense comprises of salaries and wages and staff welfare expenses. The said expenses increase to ₹ 200.46 Lacs during the F.Y. 2015-16 from ₹ 169.13 Lacs in the previous year 2014-15.

***Finance Costs:***

Finance cost for the year 2015-16 increased to ₹ 461.47 Lacs as against ₹ 368.93 Lacs of the year 2014-15. This increase in amount was due to increase in interest cost of the Company.

***Depreciation and Amortization Expense:***

Depreciation for the year 2015-16 stood at ₹ 135.42 Lacs calculated at as per companies Act. For the year 2014-15 the same was ₹ 125.01 Lacs.

***Other Expenses:***

Other expenses include 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 ₹ 1987.24 Lacs as against ₹ 1368.79 Lacs of the year 2014-15.

***Profit/ (Loss) Before Tax***

The company's profit before tax for F.Y. 2015-16 increase to Rs 117.21 Lacs from ₹ 34.93 Lacs in the year 2014-15 representing a increase of 235.55% to the previous year.

***Profit/ (Loss) After Tax***

For the year 2015-16 the profit stood at ₹ 79.00 Lacs as against the profit of ₹ 23.70 Lacs for the year 2014-15, representing an increase of 233.33% to the previous year.

**COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2015 WITH FISCAL 2014*****Total Income:***

During the year 2014-15 the total revenue of the company increased to ₹ 4522.87 Lacs as against ₹ 4043.74 Lacs in the year 2013-14, representing an increase of 11.85% of the total revenue. This increase was mainly due to increase in sale of Products.

***Other Income:***

Other income of the Company for the year 2014-15 was ₹ 51.53 Lacs in comparison with ₹ 43.38 Lacs for F.Y. 2013-14.

***Total Expenses:***

The total expenditure for the year 2014-15 increased to ₹ 4539.47 Lacs from ₹ 4061.15 Lacs in year 2013-14, representing an increase of 11.77% to the previous year. This was due to surge in trade volume of business, which resulted in increase in expenses viz. Cost of Sale and other expenses.

***Cost of Material Consumed:***

The Cost of Material Consumed for the year 2014-15 increased to ₹ 1566.68 Lacs from ₹ 1512.23 Lacs, representing a rise of 3.60% to the 2013-14.

***Employee Benefits Expense:***

The Employee Benefit Expense comprises of salaries and wages and staff welfare expenses. The said expenses decrease to ₹ 169.13 Lacs during the F.Y. 2014-15 from ₹ 233.53 Lacs in the previous year 2013-14.

***Finance Costs:***

Finance cost for the year 2014-15 decreased to ₹ 368.93 Lacs as against ₹ 411.24 Lacs of the year 2013-14. This decrease in amount was due to pre payment of borrowings of the Company.

***Depreciation and Amortization Expense:***

Depreciation for the year 2014-15 stood at ₹ 125.01 Lacs calculated as per companies Act. For the year 2013-14 the same was ₹ 105.21 Lacs.

***Other Expenses:***

Other expenses include electricity, freight, repairs, office maintenance exp, travelling and conveyance exp, telephone and internet exp and miscellaneous expenditure etc. These expenses were for the year 2014-15 increased to ₹ 1368.79 Lacs as against ₹ 1315.41 Lacs of the year 2013-14.

***Profit/ (Loss) Before Tax***

The company's profit before tax for F.Y. 2014-15 rise to Rs 34.93 Lacs from ₹ 30.63 Lacs in the year 2013-14 representing a rise of 14.03% to the previous year.



***Profit/ (Loss) After Tax***

For the year 2014-15 the loss stood at ₹ 23.70 Lacs as against the profit of ₹ 20.11 Lacs for the year 2013-14, representing an increase of 17.91% to the previous year.

**COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2014 WITH FISCAL 2013**

**Total Income:**

During the F.Y. 2013-14 the total income of the Company increased to ₹ 4087.13 Lacs as against previous financial year 2012-13 of ₹ 3829.98 Lacs representing an increase of 6.77%. This increase was mainly due to increase in revenue from sale of product in FY 2013-14 .

**Total Expenses:**

Total expenditure for the F.Y. 2013-14 increased to ₹ 4061.15 Lacs from ₹ 3819.60 Lacs in FY 2012-13 an increase of 6.32%. This was due to increase in volume of business, which resulted in increase in expenses viz. Cost of material sold, employees benefit expenses, changes in inventory of Finished Goods and other expenses.

**Employee benefits expense:**

Employee benefits expense increased to ₹ 233.53 Lacs in the year F.Y 2013-14 from ₹ 210.49 Lacs in FY 2012-13, i.e. a increase of 10.95%. This was also due to increase in business activities in the Company.

**Finance Costs:**

Finance costs increased to ₹ 411.24 Lacs in F.Y 2013-14 as compared to F.Y 2012-13 in which it was ₹ 346.90 Lacs

**Depreciation and amortization expense:**

Depreciation and amortization expense increased in FY 2013-14 to ₹ 105.21 Lacs from ₹ 97.93 Lacs compare to previous year FY 2012-13.

**Other expenses:**

Other expenses for the F.Y 2013-14 decreased to ₹ 1315.41 Lacs whereas it was ₹ 1516.34 Lacs in previous F.Y. 2012-13.

**Net Profit before tax:**

Net Profit before tax for the F.Y 2013-14 increased to ₹ 30.63 Lacs as against ₹ 8.37 Lacs of the previous year 2012-13. The increase in profit was 265.76 % during the year.

**Profit after tax:**

The Restated profit after tax for the F.Y 2013-14 increased to ₹ 20.11 Lacs as against ₹ 19.84 Lacs in the previous year 2012-13.

**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 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 15 in the 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 electricity & Power 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 boxes, panels, pillars & switchgears. Relevant industry data, as available, has been included in the chapter titled “*Industry Overview*” beginning on page 86 of this Prospectus.

**6. Increases in net sales or revenue and Introduction of new products or services or increased sales prices**

Increases in revenues are by and large linked to increases in volume of our Electric enclosure and meter/distribution Boxes business. Also, we have added FRP Pultruder Section 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 is as follows:

**Our Major Customers/ Clients for the year ended September 30<sup>th</sup>, 2016**

Name of the Clients	Amount (₹ in Lacs)*	As % of total turnover
Jodhpur Vidyut Vitran Nigam Ltd.	517.23	19.82
Dakshin Haryana Bijli Vitran Nigam Ltd	320.33	12.27
M.P. Poorv Kshetra Vidyut Vitran Co. Ltd.	271.39	10.40
Uttar Haryana Bijli Vitran Nigam	235.28	9.02
NCC Limited	181.94	6.97
M/S SPML Infra Limited Total	179.92	6.89
IL&FS Engineering and Construction Company Ltd Total	147.13	5.64
Chamundeshwari Electricity Supply Corp. Ltd	122.32	4.69
Drake & Scull Water & Energy India Pvt Ltd	105.19	4.03
Jaipur Vidyut Vitran Nigam Ltd.	101.57	3.89
<b>Total</b>	<b>2182.30</b>	<b>83.62</b>

**Our Major Customers/ Clients for the year ended March 31<sup>st</sup>, 2016**

Name of the Clients	Amount (₹ in Lacs)*	As % of total turnover
Jodhpur Vidyut Vitran Nigam Ltd	999.94	16.46
Vijai Electricals Limited	593.72	9.77
Larsen & Toubro Limited	572.04	9.42

Jaipur Vidyut Vitran Nigam Ltd	503.92	8.30
Uttar Haryana Bijli Vitran Nigam	429.18	7.07
Dakshin Haryana Bijli Vitran Nigam	421.55	6.94
Chamundeshwari Electricity Supply Corp. Ltd	411.11	6.77
KEI Industries Limited	363.96	5.99
NCC Limited	239.02	3.93
Hind Construction	194.97	3.21
<b>Total</b>	<b>4873.01</b>	<b>80.22</b>

\*The above value is inclusive of all applicable taxes and incidental expenses.

#### Our Major Suppliers of Raw material for the year ended September 30<sup>th</sup>, 2016

Name of the Supplier	Amount (₹ in Lacs)*	As % of total purchase
Shree Auro Iron Ltd.	230.56	21.36
Vision Prime Tech Pvt Ltd.	197.89	18.33
Nouvelle Credits Pvt. Ltd.	150.87	13.97
Rajasthan Steel (Bhilwara)	113.56	10.52
Crest Composites & Plastics Pvt. Ltd.	66.03	6.12
Owens-Corning (India) Pvt.Ltd.	65.41	6.06
Marpol Pvt Ltd Unit III (Delhi)	46.81	4.34
Ramdev Metal Industries	45.16	4.18
Vidya Metal Mfg. Co. Pvt. Ltd.	42.12	3.90
Ratan Ispat Industries Unit Sedan Trading Pvt. Ltd.	40.77	3.78
<b>Total</b>	<b>999.18</b>	<b>92.95</b>

#### Our Major Suppliers of Raw material for the year ended March 31<sup>st</sup>, 2016

Name of the Supplier	Amount (₹ in Lacs)*	As % of total purchase
J.P. Alloys	407.84	16.36
APEX Aluminium Extrusion Pvt. Ltd.	292.99	11.76
Pelikan Dossier Pvt. Ltd.	209.76	8.42
Reichhold India Pvt. Ltd.	208.90	8.38
Ratan Ispat Industries Unit Sedan Trading Pvt. Ltd.	193.55	7.77
Owens-Corning (India) Pvt.Ltd.	189.64	7.61
Anamika Conductors Ltd.	177.91	7.14
Ashland India Pvt. Ltd	145.31	5.83
S.S. Polymers	144.60	5.80
G.L. Metallica Pvt. Ltd.	118.81	4.77
<b>Total</b>	<b>2200.32</b>	<b>88.29</b>

\*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 86 and 92 respectively of the Prospectus.

#### 11. Details of material developments after the date of last balance sheet i.e. September 30, 2016

Except as mentioned in this Prospectus, no circumstances have arisen since the date of last financial statement until the date of filing the 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 LITIGATION AND MATERIAL DEVELOPMENT**

*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 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 Rs. 5,00,000/-.*

*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, where the monetary amount of claim by or against the entity or person in any such pending matter(s) is in excess of Rs. 10,000/- and where the amount is not quantifiable, such pending cases are material from the perspective of the Issuer's business, operations, prospects or reputation.*

**PART 1: CONTINGENT LIABILITIES OF OUR COMPANY**

<b>Particulars</b>	<b>Amount as on 30.09.2016 (in Rs.)</b>
Outstanding Tax demand	1,77,249
<b>Total</b>	<b>1,77,249</b>

**PART 2: LITIGATION RELATING TO OUR COMPANY**

**A. FILED AGAINST OUR COMPANY**

**1) Litigation involving Criminal Laws.**

- Complaint No. 6642/2015- M/s. HPL Electric.v/s M/s. RMC Switchgears Ltd.  
M/s. HPL Electric.& Power Pvt. Ltd., 1/21 Asaf Ali Road, New Delhi-110002 (“Complainant”) had business relations with M/s RMC Switchgears Ltd. (“Company”) and due to the same the Company had purchased electric goods and components from the complainant amounting to Rs. 32,87,077/-. For repayment of the same, as part payment, the Company gave a cheque No. 527948 of Rs.2,21,333/- to the Complainant drawn on ICICI Bank, Shree Jee Tower, Subhash Marg, C-Scheme, Jaipur, but the said cheque got dishonored on account of “Payment Stopped By Drawer”. The Complainant sent a legal notice to the Company on 04.05.2015 regarding the same and to furnish the said amount within 15 days of the receipt of the said notice but the Company failed to do so. Therefore, the Complainant filed a complaint under Negotiable Instruments act, 1881 against the Company in the Court of Metropolitan Magistrate Special Court (NI Act) no. 8, Jaipur. The matter is pending adjudication before the concerned Court.

**2) Litigation Involving Actions by Statutory/Regulatory Authorities - Nil**

**3) Litigation involving Tax Liability**

**Excise Laws** - Our Company has received a show cause demand notice V(85)04/Demand/2015/5211 dated 24.11.2015 from the Central Excise department for recovery of demand amounting to Rs. 1,36,929/- under Central Excise Act. for wrong availment of Cenvat Credit of Rs. 1,36,929/- (Cenvat Rs. 132941 + Education Cess 2659 + SHE Cess Rs. 1329 ) during the period on 20.03.2011 by contravening the provisions of Cenvat Credit rules 2004. Aggrieved by the aforesaid notice, the Company preferred an appeal to the Commissioner Central Excise (Appeal), Jaipur dated 05.01.2016 challenging the notice dated 24.11.2015 with the prayer to setaside the same. The matter is still pending consideration before the concerned authority.

**Income Tax**

**For Assessment year 2015-16** - In respect of the Assessment Year 2015-16, our Company RMC Switchgears Limited has received intimation under Section 143(2) of the Income Tax Act, 1961 dated April 08, 2016 for

Assessment Year 2015-16 vide communication reference no. ITBA/AST/S/143(2)/2016-17/1000067022(1) where the company was directed to appear before the concerned authority on 25.04.2016. In reply to the same the Company has submitted a letter dated 25.04.2016 requesting the authority to adjourn the matter sine die. . Further proceedings are still pending with the concerned Authorities

TDS Demand in respect of the Prior Period - Our Company has delayed in filing the TDS return and the total liability for the Short deduction, interest on deduction under section 201 Income Tax Act, 1961 is Rs. 45,720/-. Matter is still pending before the concerned Authorities.

#### **4) Litigation involving Civil Laws.**

**Claim Petition No. 503/2016 Deepak Rajak & Anr. v. Om Prakash Namdev & Ors.** - Mr. Deepak Rajak and Smt. Rekha Rajak r/o Village-Kelaras, Ward-5, District-Muraina, Madhya Pradesh (“Claimants”) have preferred a claim petition before Motor Accident Claims Tribunal, Jaipur Metropoliton, Jaipur wherein M/s. RMC Switchgears Ltd (“Company”) is also one of the respondents. The claimants in the petition has stated that their brother alongwith their cousin brother were travelling on tonk road, Jaipur on their motorcycle where a truck collided with them causing severe injuries to him and ultimately causing death of brother of the claimants. Since, the company is the registered owner of the said truck therefore, the company alongwith the other respondents are jointly and severally liable to compensate them. The company has filed the reply in the matter stating that since the said truck was insured by United India Insurance Company Ltd. (Respondent No.4) therefore it is not liable to compensate the claimants in any manner. The matter is pending adjudication before the concerned Court/Tribunal.

#### **Claim Petition No. 488/2016 Shubham Kumar Rajak v. Om Prakash Namdev & Ors.**

Mr. Shubham Kumar Rajak r/o Village-Kelaras, Ward-5, District-Muraina, Madhya Pradesh (“Claimant”) has preferred a claim petition before Motor Accident Claims Tribunal, Jaipur Metropoliton, Jaipur wherein M/s. RMC Switchgears Ltd (“Company”) is also one of the respondents. The claimant in the petition has stated that he alongwith his brother were travelling on tonk road, Jaipur on their motorcycle where a truck collided with them causing severe injuries to him and ultimately causing death of brother of the claimant. Since, the company is the registered owner of the said truck therefore, the company alongwith the other respondents is jointly and severally liable to compensate him. The company has filed the reply in the matter stating that since the said truck was insured by United India Insurance Company Ltd. (Respondent No.4) therefore it is not liable to compensate the claimants in any manner. The matter is pending adjudication before the concerned Court/Tribunal.

#### **Workmen Compensation Claim petition No.69/2011 Chhotu Lal Verma v. M/s RMC Switchgears Ltd.**

The Claimant, Chhotu Lal Verma, had filed a claim petition before Workmen Compensation Claim Commissioner, Jaipur-I, Jaipur under Workmen Compensation Act, 1923 against M/s RMC Switchgears Ltd (“Company”) stating that he was engaged as workmen in the premise of the company on 11.06.2011-12.06.2011 where in an accident three of his fingers of left hand got severed while working on the Power Press machine. It is submitted by the claimant that the accident has caused hardship to him and his family and company is liable to pay him compensation and damages for the same amounting to Rs.7,83,984/-. The Company has refuted the claim petition in its reply. The matter is pending adjudication before the concerned Authority.

#### **5) Other Pending Litigation - Nil**

### **B. CASES FILED BY OUR COMPANY**

#### **1) Litigation involving Criminal Laws**

**M/s. RMC Switchgears Ltd.v/s M/s. A.M.R. India Ltd.& Ors.** - M/s. A.M.R. India Ltd. & Ors., behind Mantri Petrol pump, Indore, Sohor, M.P (“Accused”) had business relations with our Company, M/s RMC Switchgears Ltd. (“Complainant”) and due the same the accused had purchased goods from the complainant amounting to Rs. 38,95,105/-. Out of the same an amount of Rs.17,99,995/- was tendered back to the company and for rest of the amount of Rs.20,95,110/- and an earlier due amount of Rs.20,089/-, two cheques dated 14.09.2013 and 26.09.2013 were issued in favour of the complainant, both amounting to Rs. 11,37,500/-. But the said cheques got dishonored on account of “Funds Insufficient”. The Complainant sent a legal notice to the Accused on 02.011.2013 regarding the same and to furnish the said amount within 15 days of the receipt of the said notice but the Accused failed to do so. Therefore, the Company filed a complaint under Negotiable Instruments act, 1881 against the Accused in the Court of Addl. Chief Metropolitan Magistrate and Special court (NI Act) no. 9, Jaipur. The matter is pending adjudication before the concerned Court.

**M/s. RMC Switchgears Ltd v. Jitendra Singh & Anr.** - M/s Vinayak Electric and Construction Company Sadulpur, Village Ratanpura Tehsil Rajgarh, Pol Hadiyali, Churu (Rajasthan) through its Proprietor Jitendra Singh (“Accused”) had business relations with our Company, M/s RMC Switchgears Ltd. (“Complainant”) and due to the same the accused had purchased goods from the complainant amounting to Rs. 1,00,012/-. For repayment of the same the accused had given a cheque No. 003676 of above mentioned amount in the name of RMC Switchgears Ltd drawn on State Bank of India, (10456) Sadulpur (Rajgarh) Sadulpur (Rajgarh) Distt. Churu Rajasthan 331023, but the said cheque got dishonored on account of “Funds Insufficient”. The Complainant sent a legal notice to the Accused on 13.12.2016 regarding the same and to furnish the said amount within 15 days of the receipt of the said notice but the Accused failed to do so. Therefore, the Company filed a complaint under Negotiable Instruments act, 1881 against the Accused in the Court of Metropolitan Magistrate Special Court (NI Act) no. 8, Jaipur. The matter is pending adjudication before the concerned Court.

**M/s. RMC Switchgears Ltd v. Harikesh Meena & Anr.** - Sakshi Infrastructure Dagoli Ki Dhani, V&P Paparda, Dausa – 303506 (Rajasthan) through its Proprietor Harikesh Meena (“Accused”) had business relations with our Company, M/s RMC Switchgears Ltd. (“Complainant”) and due to the same the accused had purchased goods from the complainant amounting to Rs. 8, 70,984/-. For repayment of the same the accused had given a cheque No. 139453 of above mentioned amount in the name of RMC Switchgears Ltd drawn on HDFC Bank Ltd, Shree Radhey opposite Prabhat Lawn, Agra Road Dausa – 303303, but the said cheque got dishonored on account of “PAYMENT STOPPED BY DRAWER”. The Complainant sent a legal notice to the Accused on 13.12.2016 regarding the same and to furnish the said amount within 15 days of the receipt of the said notice but the Accused failed to do so. Therefore, the Company filed a complaint under Negotiable Instruments act, 1881 against the Accused in the Court of Metropolitan Magistrate Special Court (NI Act) no. 8, Jaipur. The matter is pending adjudication before the concerned Court.

**RMC Switchgears Ltd v. M/s Capital Power Infrastructure Ltd. & Ors.** - M/s Capital Power Infrastructure Ltd. (“Accused”) had business relations with our Company, M/s RMC Switchgears Ltd. (“Complainant”) and due to the same the accused had purchased goods from the complainant amounting to Rs. 379519/-. For repayment of the same, the accused had given a cheque No. 228475 dt.28.06.2014 of above mentioned amount in favour of the complainant drawn on SBI Bank, SME branch, Sector-18, Noida, U.P., but the said cheque got dishonored on account of “Funds Insufficient”. The Complainant sent a legal notice to the Accused on 10.07.2014 regarding the same and to furnish the said amount within 15 days of the receipt of the said notice but the Accused failed to do so. Therefore, the Company filed a complaint under Negotiable Instruments act, 1881 against the Accused in the Court of Metropolitan Magistrate Special Court (NI Act) no. 12, Jaipur. The matter is pending adjudication before the concerned Court.

**M/s. RMC Switchgears Ltd v. M/s Capital Power Infrastructure Ltd. & Ors.** - M/s Capital Power Infrastructure Ltd. (“Accused”) had business relations with our Company, M/s RMC Switchgears Ltd. (“Complainant”) and due to the same the accused had purchased goods from the complainant amounting to Rs. 379519/-. For repayment of the same, the accused had given a cheque No. 228473 dt.10.06.2014 of above mentioned amount in favour of the complainant drawn on SBI Bank, SME branch, Sector-18, Noida, U.P., but the said cheque got dishonored on account of “Funds Insufficient”. The Complainant sent a legal notice to the Accused on 10.07.2014 regarding the same and to furnish the said amount within 15 days of the receipt of the said notice but the Accused failed to do so. Therefore, the Company filed a complaint under Negotiable Instruments act, 1881 against the Accused in the Court of Metropolitan Magistrate Special Court (NI Act) no. 12, Jaipur. The matter is pending adjudication before the concerned Court.

**M/s. RMC Switchgears Ltd v. M/s Capital Power Infrastructure Ltd. & Ors.** - M/s Capital Power Infrastructure Ltd. (“Accused”) had business relations with our Company, M/s RMC Switchgears Ltd. (“Complainant”) and due to the same the accused had purchased goods from the complainant amounting to Rs. 474399/-. For repayment of the same, as part payment, the accused had given a cheque No. 228474 dt.16.06.2014 of amount Rs. 314708/- in favour of the complainant drawn on SBI Bank, SME branch, Sector-18, Noida, U.P., but the said cheque got dishonored on account of “Funds Insufficient”. The Complainant sent a legal notice to the Accused on 10.07.2014 regarding the same and to furnish the said amount within 15 days of the receipt of the said notice but the Accused failed to do so. Therefore, the Company filed a complaint under Negotiable Instruments act, 1881 against the Accused in the Court of Metropolitan Magistrate Special Court (NI Act) no. 12, Jaipur. The matter is pending adjudication before the concerned Court.

## 2) Litigation involving Civil Laws

**Recovery Suit M/s. RMC Switchgears Ltd v. Hithro Power Corporation Ltd - M/s. RMC Switchgears Ltd** (“Plaintiff”) has preferred a recovery suit before the Court of District and Session Judge, Jaipur Metropolitan, Jaipur through its Director Mr. Ankit Agarwal against Hythro Power Corporation Ltd. having office at 202-204, II floor, Pacific Square, Sector-15, Part-II, Gurgaon, Haryana (“Defendant”) stating that the defendant had approached the plaintiff to purchase single phase meter boxes and in pursuance to the mutual understanding the plaintiff manufactured the said meter boxes and generated invoice dated 25.11.2014 amounting to Rs.7,20,000/ and delivered the same at the site office of the defendant. The plaintiff alleges that even after delivery of the said goods, till date, neither letter of credit has been issued in favour of the plaintiff nor the amount of the invoice has been tendered and therefore the defendant has infringed the terms of the purchase order. The plaintiff has approached the defendant on various occasions for completing the terms of the purchase order and tendering the invoice amount to the plaintiff but to no avail and aggrieved by the same the instant suit has been filed by the plaintiff claiming a total of Rs. 9,40,497/- including the amount of the invoice and interest, from the defendant.

## 3) Litigation Involving Actions by Statutory/Regulatory Authorities - Nil

## 4) Litigation involving Tax Liability - Nil

## 5) Other Pending Litigation - Nil

### PART 3: LITIGATION RELATING TO OUR DIRECTORS AND PROMOTERS OF THE COMPANY

#### A. LITIGATION AGAINST OUR DIRECTORS AND PROMOTERS

##### 1) Litigation involving Criminal Laws - Nil

##### 2) Litigation Involving Actions by Statutory/Regulatory Authorities - Nil

##### 3) Litigation involving Tax Liability - Nil

##### 4) Other Pending Litigation - Nil

#### B. LITIGATION FILED BY OUR DIRECTORS AND PROMOTERS

##### 1) Litigation involving Criminal Laws - Nil

##### 2) Litigation Involving Actions by Statutory/Regulatory Authorities - Nil

##### 3) Litigation involving Tax Liability - Nil

##### 4) Other Pending Litigation - Nil

### PART 4: LITIGATION RELATING TO OUR GROUP COMPANIES

#### A. LITIGATION AGAINST OUR GROUP COMPANIES

##### 1) Litigation involving Criminal Laws - Nil

##### 2) Litigation Involving Actions by Statutory/Regulatory Authorities - Nil

##### 3) Litigation involving Tax Liability - Nil

##### 4) Other Pending Litigation - Nil

#### B. LITIGATION FILED BY OUR GROUP COMPANIES

##### 1) Litigation involving Criminal Laws - Nil

##### 2) Litigation Involving Actions by Statutory/Regulatory Authorities - Nil

##### 3) Litigation involving Tax Liability - Nil

##### 4) Other Pending Litigation - Nil

### PART 5: AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS

The Board of Directors of our Company considers outstanding due to any one of them exceeds Rs. 5,00,000/- as per Company’s last audited financial statements, as material dues for our Company. There are no disputes with such entities in relation to payments to be made to them. Details are as below:-

Name	Balance as on 31.03.2016
Apex Aluminium Extrusion Pvt. Ltd.	34,13,550
ARC Translogistic India Pvt Limited	36,27,003
B D Fastners	10,93,681
Bhumija Colourants Pvt. Limited	12,35,601

Continental Engineers	6,61,688
Etihad Packaging	13,62,031
G L Mettatica Pvt. Ltd	15,94,523
Hansa Industries	10,35,523
HPL Electric & Power	11,76,016
J P Alloys	35,44,290
Jajoo Iron Rerollers	6,86,226
Jay Chamunda Prass Industries	14,79,633
Kankaria Gas Service	5,10,941
Manak Petrochem Enterprises	5,23,807
Marpol Pvt Limited	10,62,497
Mukhram Contractor	6,26,112
Nik-San Engineering Company Ltd	11,72,734
Prominent Powder Pvt. Limited	6,40,053
R G Enterprises	5,21,932
Rajasthan Steel	17,25,262
Ramdev Metal Industries	25,16,552
Reichhold India Pvt. Ltd.	20,03,982
Sakshi Infrastructure	5,37,195
Satpal Devraj & Sons	27,83,730
Shekhawati Ispat Pvt. Ltd.	15,21,911
Shree Auron Iron Ltd.	46,00,035
Sparsh Polychem Pvt. Ltd.	5,75,335
SRP Industries	44,12,838
Vaaidehi Minerals	6,20,537
Venus Enterprises	17,47,338

**PART 6: 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 180 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 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 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:

### **Approvals in relation to the Issue**

#### ***Corporate Approvals***

1. Our Board of Directors has, pursuant to resolutions passed at its meeting held on May 31, 2016 authorized the Issue, subject to the approval by the shareholders of our Company under section 62(1) (c) of the Companies Act, 2013.
2. Our Shareholders have, pursuant to a resolution dated June 08, 2016 under Section 62(1) (c) of the Companies Act, 2013, authorized the Issue.
3. Our Board of Directors has, pursuant to resolutions passed at its meeting held on August 10, 2016 authorized the Offer for sale by Selling Shareholders.
4. The offer for sale by Mr. Ankit Agrawal, Mr. Ashok Kumar Agarwal, Mrs. Santosh Agarwal, Mrs. Parwati Bai Agarwal, M/s Vitthal Das Agarwal HUF, M/s Ashok Kumar Agarwal HUF and Argent Leasing and Finance Private Limited (“Selling Shareholders”) for 7,68,000 authorised by their respective undertaking/ Board Resolution dated August 08, 2016
5. Our Board of Directors has, pursuant to a resolution dated September 14, 2016 and February 20, 2017 authorized our Company to take necessary action for filing the Draft Prospectus and Prospectus respectively with BSE.

#### ***Approvals from Stocks Exchange***

1. Our Company has received in- principle listing approval from the SME Platform of BSE dated November 04, 2016 for listing of Equity Shares issued pursuant to the issue.

### **Approvals In Relation to Our Company’s Incorporation**

1. Certificate of incorporation dated August 23, 1994 from the Registrar of Companies, Rajasthan, Jaipur under the Companies Act, 1956 as ‘RFH METAL CASTINGS PRIVATE LIMITED’ (Registration no.: 17-08698);
2. Certificate of Incorporation dated December 29, 2008 from the Registrar of Companies, Rajasthan, Jaipur consequence to conversion of Company ‘RFH METAL CASTINGS PRIVATE LIMITED’ to “RFH METAL CASTINGS LIMITED” (Corporate Identification No. - U27310RJ1994PLC008698)

3. Certificate of Incorporation dated March 30, 2009 from the Registrar of Companies, Rajasthan, Jaipur under the Companies Act, 2013 pursuant to change in name from 'RFH METAL CASTINGS LIMITED' to "RMC SWITCH GEARS LIMITED" (Corporate Identification No. - U27310RJ1994PLC008698);
4. Certificate of Incorporation dated July 25, 2016 from the Registrar of Companies, Rajasthan, Jaipur under the Companies Act, 2013 pursuant to change in name from 'RMC SWITCH GEARS LIMITED' to "RMC SWITCHGEARS LIMITED" (Corporate Identification No. - U27310RJ1994PLC008698);

### Approvals/Licenses/Permissions in relation to our Business

#### *Tax Related Approvals*

S. No	Nature of Registration/License	Registration Number	Applicable laws	Issuing Authority	Date of issue	Date of Expiry
1.	Permanent Account Number	AAACR6750K	Income Tax Act 1961	Commissioner of Income Tax, Jaipur	June 19, 2006	Valid till Cancelled
2.	Tax Deduction Account Number (TAN)	JPRR02366A	Income Tax Department	Income Tax Department	Amended on August 20, 2009	Valid till Cancelled
3.	Certificate of Registration and Allotment of TIN (CST) for place of business at: B-11, B &C, Malviya Ind. Area, Jaipur, Rajasthan Kotkhawada Road, Baodiya, Chaksu, Jaipur-303901, Rajasthan	08652200252 issued on March 07, 1995	The Central Sales Tax Act, 1956	Commercial Taxes Officer, Divisional Kar Bhawan, Jhalana, Jaipur, Rajasthan	Amended on June 05, 2009	Valid till Cancelled
4.	Certificate of Registration and Allotment of TIN (RVAT) for place of business at: B-11, B &C, Malviya Ind. Area, Jaipur, Rajasthan Kotkhawada Road, Badodiya, Chaksu, Jaipur-303901, Rajasthan	08652200252 issued on June,30 1995	Rajasthan VAT Act, 2003	Commercial Taxes Officer, Divisional Kar Bhawan, Jhalana, Jaipur, Rajasthan	Amended on June 05, 2009	Valid till Cancelled
5.	Central Excise Registration Certificate 7 K.M. From Chaksu, Khotkawada Road, Badodiya, Chaksu, Jaipur-303901, Rajasthan	AAACR6750KXM003	Rule 9 of Central Excise Rules, 2002	Deputy. Commissioner, Central Excise Division, Jaipur	September 16, 2009	Valid till Cancelled

6.	Service Tax Registration Certificate 7 K.M. From Chaksu, Khotkawada Road, Badodiya, Chaksu, Jaipur-303901, Rajasthan	AAACR675 OKST002 issued on September 22, 2009	The Finance Act 1994	Superintendent Central Excise, Range-IV, Jaipur	Amended on June 13, 2013	Valid till Cancelled
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**Other Approvals**



S.No.	Nature of Registration/Licence	Registration Number	Applicable Laws	Issuing Authority	Date of issue	Date of Expiry
1.	Certificate of Importer- Exporter Code (IEC) For B-11 (B&C) Malviya Industrial Area, Jaipur-302017, Rajasthan	1396005048	Ministry of Commerce and Industry, Rajasthan	Foreign Trade Development Officer	September 11, 1996, renewed on July 09, 2009	Valid till Cancelled
2.	Registration under the Employees Provident fund (EPF) 7K.M. From Chaksu, Khotkawada Road, Badodiya, Chaksu, Jaipur-303901, Rajasthan	RJ/26180	Employee Provident Funds & Miscellaneous Provisions Act, 1952	Regional Provident Fund Commissioner, Rajasthan	January 01, 2010	Valid till Cancelled
3.	Factory License for premises at 7 K.M. from Chaksu, Kotkhawada Road, Badodiya, Chaksu, Jaipur-303901, Rajasthan	RJ-29337	The Factories Act, 1948	Chief Inspector of Factories, Rajasthan, Jaipur	September 08, 2010	March 31, 2019
4.	Factory License for premises at B11 (B&C) Malviya Industrial Area, Jaipur-302019, Rajasthan	RJ-22170	The Factories Act, 1948	Chief Inspector of Factories, Rajasthan, Jaipur	Renewed on October 13, 2016	March 31, 2020
5.	Entrepreneur's Memorandum for premises at 7 K.M. from Chaksu, Kotkhawada Road, Badodiya, Chaksu, Jaipur-303901, Rajasthan	08/033/13/000 02/Part II (Medium)	District Industries Centre, Jaipur (Rural)	Chief Manager District Industries Centre, Jaipur (Rural)	November 09, 2010	Valid till cancelled
6.	District Industries Center for premises at B 11 (B&C) Malviya Industrial Area, Jaipur -	08/012/12/024 26/Part II	District Industries Centre, Jaipur (Urban)	Chief Manager District Industries Centre, Jaipur (Urban)	November 28, 2007	Valid till cancelled

302017, Rajasthan					
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**Certificates Received:**

S.No	Description	Registration Number	Applicable Laws	Issuing Authority	Date of issue	Date of Expiry
1.	ISO 9001:2015 for premises at: 7 K.M. From Chaksu, Khotkawada Road, Badodiya, Chaksu, Jaipur-303901, Rajasthan	13I0054	-----	AGQR Certifications Private Limited	September 18, 2013	September 16, 2019
2	BIS Certification for premises at: 7 K.M. from Chaksu, Kotkhawada Road, Badodiya, Chaksu, Jaipur-303901, Rajasthan	CM/L-8400017610	Bureau of Indian Standards Act, 1986	Officer of Bureau of Indian Standards	August 04, 2016	August 03, 2017
3	Udhyog Aadhaar RMC Switchgears Limited B11 (B&C) Malviya Industrial Area, Jaipur	RJ17B0016275	----	Ministry of Micro, Small & Medium Enterprise	October 10, 2016	--

**Intellectual Property****Trademarks registered/Objected/Abandoned in the name of our company**

S. No	Brand Name/Logo Trademark	Class	Nature of Trademark	Owner	Number/Date of Application	Authority	Current Status
1.	Trademark	09		RFH Metal Castings Private Limited	1756657 21/11/2008	Registrar of Trademark, Ahmedabad	Registered Valid upto 21/11/2018
2.	Trademark	09		RMC Switch Gears Limited	3311513 15/07/2016	Registrar of Trademark, Ahmedabad	Objected as on date of Prospectus
3.	Trademark	19	LAMINA	RMC Switch Gears Limited	3417457 23.11.2016	Registrar of Trademark	Objected as on date of Prospectus
4.	Trademark	19	KORIAN	RMC Switch Gears Limited	3417458 23.11.2016	Registrar of Trademark	Objected as on date of Prospectus

**Domain Name**

S.No	Domain Name and ID	Sponsoring Registrar and ID	Registrant Name, ID and Address	Creation Date	Registry Expiry Date
1.	www.rmcindia.in	Endurance Domains Technology Pvt. Ltd. (R173-AFIN)	RMC India ID: WIQ_42989172	27.03.2009	27.03.2017

**Other Approvals**

- The Company has entered into a tripartite agreement dated September 06, 2016 with the Central Depository Services (India) Limited (CDSL) and the Registrar and Transfer Agent, who in this case is Link InTime India Private Limited, for the dematerialization of its shares.
- The Company has entered into an agreement dated September 29, 2016 with the National Securities Depository Limited (NSDL) and the Registrar and Transfer Agent, who in this case is Link InTime India Private Limited, for the dematerialization of its shares.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

#### Fresh Issue

This Issue in terms of this Prospectus has been authorized by the Board of Directors pursuant to a resolution dated May 31, 2016 and by the shareholders pursuant to a special resolution in an Extra Ordinary General Meeting held on June 08, 2016 under section 62 (1) (c) of the Companies Act, 2013.

#### Offer for Sale

The Offer for Sale has been authorised by a resolution of the Board of Directors of the Company passed at their meeting held on August 10, 2016. The Selling Shareholders have authorised the sale of their Equity Shares pursuant to the Offer as set out below:-

S.No.	Name of Selling Shareholders	Date of Authorization Letter/ Board Resolution	Numbers of Shares
1.	Mr. Ankit Agrawal	August 08, 2016	71,000
2.	Mr. Ashok Kumar Agarwal	August 08, 2016	70,000
3.	Mrs. Santosh Agarwal	August 08, 2016	1,77,000
4.	Mrs. Parwati Bai Agarwal	August 08, 2016	86,000
5.	Vitthal Das Agarwal HUF	August 08, 2016	1,57,000
6.	M/s Ashok Kumar Agarwal HUF	August 08, 2016	70,000
7.	M/s Argent Leasing & Finance Private Limited	August 08, 2016	1,37,000
<b>Total</b>			<b>7,68,000</b>

Our Company has obtained in-principle approval from the SME Platform of BSE for using its name in the Draft Prospectus/Prospectus pursuant to letter dated November 04, 2016 BSE is the Designated Stock Exchange.

#### Prohibition by the SEBI or other Governmental Authorities

Our Company, our Promoters, our Promoter Group, our Directors, Group Companies, Selling Shareholders have not been prohibited from accessing the capital market for any reason or restrained from buying, selling or dealing in securities, under any order or directions by the SEBI or any other regulatory or government authorities.

The listing of any securities of our Company has never been refused by any of the Stock Exchanges in India.

None of our Directors are associated with the securities market and there are no violations of securities laws committed by any of them in the past or pending against them, nor have any companies with which our director was associated have been debarred or prohibited from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

#### Association with Securities Market

None of our Directors in any manner 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 Promoter, our Directors, Group Entities, the relatives (as defined under the Companies Act, 2013) of Promoter or the person(s) in control of our Company and Selling Shareholders have been identified as a wilful 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 194 of the Prospectus.

### Eligibility for the Issue

Our Company is not ineligible 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) (1) and other provisions of Chapter XB of the SEBI (ICDR) Regulations, as we are an Issuer whose post issue paid up capital is up to ₹ 10 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 BSE*”).

We confirm that:

1. In accordance with Regulation 106(P) of the SEBI (ICDR) Regulations, this issue is 100% underwritten and that the LM 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 43 of this Prospectus.
2. In accordance with Regulation 106 (R) of the SEBI (ICDR) Regulations, 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 refunded forthwith. If such money is not repaid within fifteen (15) days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of fifteen (15) days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013In
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 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 LM and a 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 BSE. 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 43 of this 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.

Our Company is also eligible for the Issue in accordance with eligibility norms for listing on SME Exchange Platform BSE laid down under circular dated April 1, 2015 (<http://www.bsesme.com/static/getlisted/criteriaisting.aspx?expandable=0>), which states as follows:

1. Net Tangible Assets of at least ₹ 3 Crore as per the latest audited financial results (as restated).
2. Net worth (excluding revaluation reserves) of at least ₹ 3 crore as per the latest audited financial results (as

restated).

3. Track record of distributable profits in terms of section 123 of Companies Act, 2013 for at least two years out of immediately preceding three financial years and each financial year has to be a period of at least 12 months. Extraordinary income will not be considered for the purpose of calculating distributable profits. Otherwise, the Net Worth shall be at least ₹ 5 Crores.
4. Distributable Profit, Net Tangible Assets and Net worth of the Company as per the restated financial statements for the year ended March 31, 2016, March 31, 2015, and March 31, 2014, is as set forth below:-

(Amt in ₹)

Particulars	As at			
	September 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014
Distributable Profit*	85,56,536	7900747	2370673	20,10,651
Net Tangible Assets**	11,64,37,981	10,88,60,832	9,70,28,174	9,36,50,547
Net Worth***	10,95,42,263	10,09,85,727	9,30,84,980	9,09,41,761

\* Distributable Profit has been calculated as per Section 123 of Companies Act, 2013

\*\* Net Tangible Assets are defined as the sum of all net assets of the Company, excluding intangible assets as defined in Accounting Standard 26 issued by the Institute of Chartered Accountants of India. As is evident, our company has Net Tangible Assets of over ₹ 3 crore.

\*\*\* Net worth includes shares capital and Reserves( Excluding Revaluation Reserve ) Less Miscellaneous Expenditure not written off, if any, & Debit Balance of Profit and Loss Account not wrote off, if any. As is evident, our Company has a Net Worth of over ₹ 3 Crores.

5. The Post Issue paid up capital of our Company shall be at least ₹ 3 Crore. As detailed in chapter “**Capital Structure**” on page 51 of this Prospectus our Company will have a post issue capital of ₹ 50,922,000 ( Rupees Five crore Nine lakhs twenty two thousands)
6. Our Company shall mandatorily facilitate trading in demat securities and will enter into an agreement with both the depositories. The Company will enter into an agreement for registration with the Central Depository Services Limited (CDSL) dated September 06, 2016 and. National Securities Depository Limited (NSDL) dated September 29, 2016 for establishing connectivity.
7. Our Company has a website i.e. [www.rmcindia.in](http://www.rmcindia.in)
8. Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
9. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
10. 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.
11. There has been no change in the promoter/s of the Company in the preceding one year from date of filing application to BSE for listing on SME segment.

We confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on the SME Platform of the BSE.

#### **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 FEBRUARY 20, 2017 WHICH READS AS FOLLOWS:

WE, THE UNDER NOTED 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 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 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 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 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.
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 PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE PROSPECTUS.
6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE PROSPECTUS.
7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE 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 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 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 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 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 “HEM SECURITIES LIMITED”, 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 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 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 PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.
3. WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 - NOTED FOR COMPLIANCE.

4. WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER
5. WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISIO TO SUB-REGULATION (4) OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009; CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE 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

The filing of this 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 LM any irregularities or lapses in the 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, Rajasthan, Jaipur in terms of sections 26, 32 and 33 of the Companies Act,

#### 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.	Vishal Bearings Limited	3.24	25.00	October 15, 2015	26.00	22.00% [-4.69%]	16.4% [-8.62%]	16% [8.17%]
2.	Arambhan Hospitality Services Ltd (Formerly "Cawasji Behramji Catering Services Limited")	1.862	14.00	October 19, 2015	15.25	103.57% [-5.48%]	142.86% [-11.61%]	125% [-9.82%]
3.	Raghav Ramming Mass Limited	7.48	39.00	April 13, 2016	41.00	3.85% [-0.54%]	44.61% [8.51%]	75.64% [9.58%]
4.	Advance Syntex Limited	2.52	12.00	July 12, 2016	13.25	0.00% [0.19%]	-2.08% [0.99%]	29.00% [-3.89%]
5.	Madhya Bharat Agro Products Ltd	13.89	24.00	Sept. 12, 2016	27.00	19.97% [-1.63%]	62.50% [-6.25%]	NA
6.	Aurangabad Distillery Limited	7.70	35.00	October 17, 2016	42.00	81.85% [-4.80%]	117.14% [-1.26%]	NA
7.	Pansari Developers Limited	10.1904	22.00	October 18, 2016	22.90	3.41% [-6.89%]	-4.55% [-3.05%]	NA
8.	Dhanuka Realty	4.224	40.00	October	41.25	-8.13%	-6.25%	NA

	Limited			18, 2016		[-6.89%]	[-3.05%]	
9.	Globe international Carriers Limited	5.1696	24.00	October 19, 2016	24.95	0.00% [-6.75%]	-1.46% [-3.02%]	NA
10.	Art Nirman Limited	5.01	25.00	October 19, 2016	30.00	12.00% [-6.75%]	12.20% [-3.02%]	NA

Source: Price Information [www.bseindia.com](http://www.bseindia.com) & [www.nseindia.com](http://www.nseindia.com), Issue Information from respective Prospectus.

### Summary statement of Disclosure:

Financial Year	Total no. of IPOs	Total amount of funds raised (Rs. Cr.)	No. of IPOs trading at discount- 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at Premium- 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount- 180 <sup>th</sup> calendar days from listing			No. of IPOs trading at Premium- 180 <sup>th</sup> calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2013-14	3 <sup>(1)</sup>	10.66	-	-	1	1	1	-	-	-	2	-	1	
2014-15	7 <sup>(2)</sup>	38.25	-	-	-	2	-	5	-	-	3	-	4	
2015-16	8 <sup>(3)</sup>	34.20	-	-	1	2	2	3	-	-	3	1	4	
2016-17	8 <sup>(4)</sup>	56.18	-	-	1	1	-	6	-	-	1	1	-	

(1) 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 and Advance Syntex Limited was listed on April 13, 2016 and July 12, 2016 respectively, Further Madhya Bharat Agro Products Limited has not completed its 180 days from the listing date. Further, Aurangabad Distillery Limited, Pansari Developers Limited, Dhanuka Realty Limited, Globe International Carriers Limited and Art Nirman Limited were listed on October 17, 2016, October 18<sup>th</sup>, 2016, October 18<sup>th</sup>, 2016, October 19<sup>th</sup>, 2016 and October 19<sup>th</sup>, 2016 respectively and has not completed 180<sup>th</sup> day from date of listing.

### Note:

- Based on date of listing.
- BSE SENSEX and CNX NIFTY has been considered as the benchmark index.
- Prices on BSE/NSE are considered for all of the above calculations.
- 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.
- 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.
- 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 LM 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 LM at: [www.hemsecurities.com](http://www.hemsecurities.com)

### **Disclaimer from our Company, Selling Shareholders, Directors and the Lead Manager**

Our Company, the Directors, Selling Shareholders and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

### **Caution**

The LM accept no responsibility, save to the limited extent as provided in the MOU entered between the LM (Hem securities Limited), Selling Shareholders and our Company on July 05, 2016 the Underwriting Agreement dated October 03, 2016 entered into between the Underwriters, Selling Shareholders and our Company and the Market Making Agreement dated October 03, 2016 entered into among the Market Maker and our Company.

All information shall be made available by our Company, Selling Shareholder and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, Group Entities, or our affiliates or associates or selling shareholders 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 Entities, and our affiliates or associates or selling shareholders, 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, Selling Shareholders 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 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 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 Jaipur, Rajasthan, India.

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 Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company 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 BSE**

BSE Ltd. ("BSE") has given vide its letter dated November 04, 2016 permission to our Company to use its name in this offer document as one of the stock exchanges on which our Company's securities are proposed to be listed on the SME Platform. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter for granting the aforesaid permission to this Company. BSE does not in any manner:

- i. Warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. Warrant that this Company's securities will be listed or will continue to be listed on BSE; or
- iii. Take any responsibility for the financial or other soundness of this Company, its Promoters, its management or any scheme or project of this Company;

And it should not for any reason be deemed or construed that this offer document has been cleared or approved by the BSE. Every person who desires to apply for or otherwise acquires any securities in this Company may do so pursuant to independent inquiry, investigations and analysis and shall not have any claim against BSE whatsoever by reason of loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

#### **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**

A copy of this 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 the Securities and Exchange Board of India, SEBI Western Regional Office, SEBI Unit No. 002, Ground Floor SAKAR I near Gandhigram Railway Station, Opposite Nehru Bridge, Ashram Road, Ahmedabad-380009, Gujarat 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, Corporate Bhawan, G/6-7, Second Floor, Residency Area, Civil Lines, Jaipur-302001, Rajasthan.

### **Listing**

In terms of Chapter XB of the SEBI (ICDR) Regulations, 2009 there is no requirement of obtaining in- principle approval of the SME Platform of BSE. However, application shall been made to SME Platform of BSE for obtaining permission for listing of the Equity Shares being offered and sold in the Issue on its SME Platform after the allotment in the Issue.

The SME Platform of BSE has given its in-principal approval for using its name in our Prospectus vide its letter dated November 04, 2016.

BSE is Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by BSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this 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 BSE 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(s) to the Company; (b) Lead Manager, Registrar to the Issue, Banker(s) to the Issue, Legal Advisor to the Issue, Underwriter(s) to the Issue and Market Maker to the Issue to act in their respective capacities have been be obtained 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.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/s Saraswat & Company, Chartered Accountants, Statutory Auditor and M/s Narendra Sharma & Co., Chartered Accountant Peer Review Auditors of the Company have 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 financial statements as included in this Draft 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 Prospectus.

### Experts Opinion

Except for the reports in the section “*Financial information of the Company*” and “*Statement of Tax Benefits*” on page 146 and 84 of this Prospectus from the Peer Review Auditors and Statutory Auditor respectively, 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 ₹ 23.00 Lacs, which is 5.55 % 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 and will be shared between the Company and Selling Shareholders except the Listing Fees and Advisory fees which will be borne by the Company.

The Estimated Issue expenses are as under:-

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, advertisement expenses and other out of pocket expenses*	16.00	69.57	3.86
2.	Printing and Stationery and expenses relating to Registrar	4.00	17.39	0.96
3.	Regulatory fees and other Statutory expenses	3.00	13.04	0.72
	<b>Total estimated Issue Expenses</b>	<b>23.00</b>	<b>100.00</b>	<b>5.55</b>

\*Included Commission/ processing fees for SCSB, Brokerage and selling commission for Registered Brokers, RTA’s and CDPs.

### Fees, Brokerage and Selling Commission payable to the LM

The total fees payable to the Lead Manager will be as per the (i) Memorandum of Understanding dated July 05, 2016 with the Selling Shareholder and Lead Manager, (ii) the Underwriting Agreement dated October 03, 2016 with Underwriter and Selling Shareholders (iii) the Market Making Agreement dated October 03, 2016 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 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 refund orders, preparation of refund data on magnetic tape and printing of bulk mailing register will be as per the agreement between our Company and the Registrar to the Issue dated June 29, 2016 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 make refunds in any of the modes described in this Prospectus or 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 Prospectus.

#### **Previous issues of Equity Shares otherwise than for cash**

For detailed description please refer to section titled "*Capital Structure*" beginning on page 51 of this 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-à-vis objects – Public/rights 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 51 of this Prospectus our Company has not undertaken any previous public or rights issue. None of the Group Companies/ Entities 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 are unlisted and have not made a public issue of shares.

#### **Outstanding Debentures or Bond Issues or Redeemable Preference Shares and other instruments**

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this Prospectus.

#### **Outstanding Convertible Instruments**

Our Company does not have any outstanding convertible instruments as on the date of filing this Prospectus.

#### **Option to Subscribe**

Equity Shares being offered through the 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 amongst the Registrar to the Issue, our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) year from the last date of dispatch of the letters of allotment, or refund orders, demat credit or where refunds are being made electronically, giving of refund instructions to the clearing system, 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 Prospectus. Since there is no investor complaints received, none are pending as on the date of filing of this Prospectus.

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

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 constituted Stakeholders Relationship Committee in the meeting of our Board of Directors held on August 01, 2016. For further details on the Stakeholders Relationship Committee, please refer to section titled "*Our Management*" beginning on page 120 of this Prospectus.

**Our Company has appointed Ms. Priyanka Gattani, 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:**

**Ms. Priyanka Gattani**  
**RMC Switchgears Limited**  
B-11 (B&C), Malviya Industrial Area,  
Jaipur-302017, Rajasthan, India  
Tel. No. +91-141-4031516, +91-141-2759678  
E-mail: [cs@rmcindia.in](mailto:cs@rmcindia.in)  
Website: [www.rmcindia.in](http://www.rmcindia.in)

**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](http://www.scores.gov.in)

### **Status of Investor Complaints**

We confirm that we have not received any investor complaint during the three years preceding the date of this Prospectus and hence there are no pending investor complaints as on the date of this Prospectus.

### **Disposal of investor grievances by listed companies under the same management as our Company**

We do not have any listed company under the same management.

### **Change in Auditors during the last three (3) years**

Except the appointment of the M/s Narendra Sharma & Co., Chartered Accountant as the peer review Auditor of the Company; there are no changes in the Auditors of the company during the last three years.

### **Capitalization of Reserves or Profits**

Except as disclosed under section titled "*Capital Structure*" beginning on page 51 of this 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 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 84 of this Prospectus.

### **Purchase of Property**

Other than as disclosed in Section "*Our Business*" on page 92 of the 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 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 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 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 120 and “*Annexure – R-Statement of Related Party Transactions*” beginning on page 171 of the 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, SCRA, SCRR, SEBI (ICDR) Regulations, 2009, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of this Draft Prospectus, the Prospectus, the abridged prospectus, Application Form, CAN, the Revision Form, Allotment advices, and other terms and conditions as may be incorporated in the documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the GoI, the Stock Exchanges, the RoC, the FIPB, the RBI 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 CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the investors applying in this issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment.*

*Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application Forms. Investors may visit the official websites of the concerned stock exchanges for any information on operationalization of this facility of form collection by Registrar to the issue and DPs as and when the same is made available.*

#### **Ranking of Equity Shares**

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank *pari-passu* in all respects with the existing Equity Shares of our Company including rights in respect of dividends. The allottees, upon Allotment of Equity Shares under this Issue, will be entitled to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to section titled "**Main Provisions of Articles of Association of the Company**" beginning on page 270 of this Prospectus.

For the shares being offered through offer for sale, the dividend will be paid, if any, for the full year to the transferees

#### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as recommended by the Board of Directors at their discretion and approved by the shareholders 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 Companies Act. For further details in relation to dividends, please refer to chapter titled "**Dividend Policy**" and "**Main Provisions of the Articles of Association**" on page 145 and 270 respectively of this Prospectus.

#### **Face Value and Issue Price**

The Equity Shares having a Face Value of ₹ 10.00 each are being offered in terms of this Prospectus at the price of ₹ 27.00/- per Equity Share (including a premium of ₹ 17.00 per Equity Share).

The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the section titled "**Basis for Issue Price**" on page 81 of this Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

### **Compliance with SEBI (ICDR) Regulations**

Our Company shall comply with all requirements of the SEBI ICDR Regulations. 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 of our Company, 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 and other preferential claims being satisfied;
- Right of free transferability of the Equity Shares, subject to applicable law, including any RBI Rules and Regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, 1956 and Companies Act, 2013, as may be applicable, terms of the SEBI Listing Regulations with the Stock Exchange and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien and / or consolidation / splitting, etc., please refer to Section titled "*Main Provisions of Articles of Association of the Company*" beginning on page 270 of this 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.

The trading of the Equity Shares will happen in the minimum contract size of 4000 Equity Shares and the same may be modified by the SME Platform of BSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Prospectus will be done in multiples of 4000 Equity Shares subject to a minimum allotment of 4000 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 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.

### **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 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 this section shall upon the production of such evidence as may be required by the Board, elect either:

- To register himself or herself as the holder of the Equity Shares; or
- To make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 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 will be made only in dematerialized form, there is no need to make a separate nomination with our Company. 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.**

### Period of Operation of Subscription List of Public Issue

<b>ISSUE OPENS ON</b>	February 28, 2017
<b>ISSUE CLOSES ON</b>	March 03, 2017

### 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 to any minimum subscription level. This Issue is 100% underwritten and the details of the same have been disclosed under section titled “**General Information**” on page 43 of this Prospectus.

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 our Company 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 unblocked the entire subscription amount received. If there is a delay beyond 8 (eight) days after our Company becomes liable to pay the amount, our Company shall pay interest prescribed under Section 73 of the Companies Act, 2013 and applicable law.

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 [106Q] 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.*

*Further, in accordance with Regulation [106R] 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). 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.*

#### **Arrangements for disposal of odd lots**

The trading of the Equity Shares will happen in the minimum contract size of 4000 equity 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 the SME platform of BSE.

#### **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 Promoters' minimum contribution in the Issue as detailed in the section titled "**Capital Structure**" beginning on page 51 of this 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 of the Company**" on page 270 of this Prospectus.

#### **New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

#### **Application by Eligible NRIs, FPIs/FIIs registered with SEBI, VCFs registered with SEBI**

It is to be understood that there is no reservation for Eligible NRIs, FPIs/FIIs registered with SEBI or VCFs. Such Eligible NRIs, FPIs/FIIs 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.



### Option to receive Equity Shares in Dematerialized Form

As per Section 29(1) of the Companies Act, 2013 and in accordance with SEBI ICDR Regulations, every company making public offer shall issue securities only in dematerialized form only. Hence, the Equity Shares being offered can be applied for in the 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. Applicants will not have an option of Allotment of the Equity Shares in physical form.

### Migration to Main Board

In accordance with the BSE Circular dated November 26, 2012, our Company will have to be mandatorily listed and traded on the SME Platform of the BSE for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board of the BSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter XB of the SEBI (ICDR) Regulations. Our Company may migrate to the Main Board of BSE from the SME Exchange on a later date subject to the following:

- If the Paid up Capital of the Company is likely to increase above ₹ 25 Crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the Company has obtained in-principal approval from the main board), we shall have to apply to BSE for listing our shares on its Main Board subject to the 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 crores but below Rs. 25 crores, we may still apply for migration to the Main Board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

### Market Making

The Equity Shares offered through this Issue are proposed to be listed on the SME Platform of BSE (SME Exchange), wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Maker of the SME Exchange for a minimum period of 3 (three) years from the date of listing on the SME Platform of BSE. For further details of the agreement entered into between our Company, the Lead Manager and the Market Maker please refer to section titled "**General Information - Details of the Market Making Arrangements for this Issue**" beginning on page 43 of this 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 (including mandatory initial inventory of 5% of issue size)	Re-entry threshold for buy quotes (including mandatory initial inventory of 5% of issue size)
Upto ₹ 20 Crore, as applicable in our case	25%	24%

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.

### **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 Jaipur, Rajasthan, 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 or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S), except pursuant to an exemption from or in a transaction not subject to, registration requirements of the U.S. Securities Act and applicable U.S. State securities laws. Accordingly, the Equity Shares are only being offered or sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. 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.**

*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 Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated herein above. Our Company and the 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 the Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.*

### ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106(M)(1) of Chapter X-B of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post-issue face value capital does not exceeds ten crores rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the SME Platform of BSE). 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 219 and 228 respectively of this Prospectus.

Following is the issue structure:

The Public Issue of 15,36,000 Equity Shares of Face Value of ₹ 10/- each fully paid (The "Equity Shares") for cash at a price of ₹ 27.00/- per Equity Shares (*including a premium of ₹ 17.00/- per equity share*) aggregating to ₹ 414.72 Lakhs (*"the issue"*) by our Company of which 96,000 Equity Shares of ₹ 10 each will be reserved for subscription by Market Maker Reservations Portion and a Net Issue to public of 14,40,000 Equity Shares of ₹ 10 each is hereinafter referred to as the net issue. The Issue and the Net Issue will constitute 30.16% and 28.28% respectively of the post issue paid up Equity Share Capital of the Company.

The Public Issue 15,36,000 Equity shares of ₹ 10/- each at issue price of ₹ 27.00/- per Equity share, including a premium of ₹ 17.00/- per equity share aggregating to ₹ 414.72 Lakhs comprising the Fresh Issue of 7,68,000 Equity Shares and the Offer for Sale 7,68,000 Equity Shares by Selling Shareholders.

The Issue is being made by way of Fixed Price Issue Process

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
Number of Equity Shares available for allocation	14,40,000 Equity Shares of Face Value ₹ 10/-	96,000 Equity Shares of Face Value ₹ 10/-
Percentage of Issue Size available for allocation	93.75 % of the Issue Size (Minimum 50% to Retail Individual Investors and the balance to other investors).	6.25 % of the Issue Size
Basis of Allotment	Proportionate subject to minimum allotment of 4000 Equity Shares and further allotment in multiples of 4000 Equity Shares each.  For further details please refer to " <i>Issue Procedure - Basis of Allotment</i> " on page 260 of this Prospectus.	Firm Allotment
Mode of Application	Through ASBA Process Only	Through ASBA Process Only
Minimum Application Size	<b><u>For Other than Retails Individual Investors:</u></b>  Such number of Equity Shares in multiples of 4000 Equity Shares at an Issue price of ₹ 27.00 each, such that the Application Value exceeds ₹ 2,00,000/-  <b><u>For Retail Individuals Investors:</u></b>  4000 Equity Shares at an Issue price of ₹ 27.00 Each	96,000 Equity Shares of Face Value ₹ 10/-
Maximum Application Size	<b><u>For Other than Retails Individual</u></b>	96,000 Equity Shares of Face

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
	<p><b>Investors:</b></p> <p>The maximum application size is the Net Issue to public subject to limits the investor has to adhere under the relevant laws and regulations applicable.</p> <p><b>For Retail Individuals Investors:</b></p> <p>Such number of Equity Shares in multiples of 4000 Equity Shares such that the Application Value does not exceed ₹ 2,00,000/-.</p>	Value ₹ 10/-
Mode of Allotment	Compulsorily in dematerialized form	
Trading Lot	4000 Equity Shares	4000 Equity Shares, However the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2009.
Terms of Payment	The entire Application Amount will be payable at the time of submission of the Application Form.	

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 225 of this Prospectus.

\*As per Regulation 43(4) of the SEBI (ICDR) Regulations, as amended, as present issue is a fixed price issue ‘the allocation’ is the net offer to the public category shall be made as follows:

- a) Minimum fifty percent to retail individual investors; and
- b) Remaining to Investors other than retail Individual Investors; and
- c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

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

#### **Withdrawal of the Issue**

The Company, in consultation with the 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 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 our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh offer document 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 offered through the Prospectus, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus.

<b>ISSUE PROGRAMME</b>	
<b>ISSUE OPENING DATE</b>	February 28, 2017
<b>ISSUE CLOSING DATE</b>	March 03, 2017

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, .On the Issue Closing Date when applications will be accepted only between 10.00 a.m. to 4.00 p.m. (Indian Standard Time).

Due to limitation of time available for uploading the application on the Issue Closing Date, Applicants are advised to submit their applications one day prior to the Issue Closing Date and, in any case, not later than 1.00 p.m. IST on the Issue Closing Date. Any time mentioned in this Prospectus is IST. Applicants are cautioned that, in the event a large number of applications are received on the Issue Closing Date, as is typically experienced in public offerings, some applications may not get uploaded due to lack of sufficient time. Such applications that cannot be uploaded will not be considered for allocation under this Issue.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday)

## **ISSUE PROCEDURE**

All Applicants should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (“General Information Document”) **included below under section “-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 2013 (to the extent notified), the Companies Act, 1956 (to the extent not repealed by the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations as amended. The General Information Document has been updated to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations 2015 and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges and the Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this Issue.

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, Selling Shareholders and the Lead Manager 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 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, Selling Shareholders and the LM are not liable for any amendments, modifications or change in applicable laws or regulations, which may occur after the date of this Prospectus.**

### **PART A**

#### **Fixed Price Issue Procedure**

The Issue is being made under Regulation 106(M)(1) of Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 via Fixed Price Process.

Applicants are required to submit their Applications to the Designated Intermediaries. In case of QIB Applicants, our Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non-Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. Applicants will not have the option of being Allotted Equity Shares in physical form. Further the Equity shares on allotment shall be traded only in the dematerialized segment of the Stock Exchange, as mandated by SEBI.

### Application Form

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 can apply through ASBA Mode. The prescribed colours of the Application Form for various categories applying in this issue are as follows:

Category	Colour
Indian Public / eligible NRI's applying on a non-repatriation basis (ASBA)	White
Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA)	Blue

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number.

Pursuant to SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 Dated November 10, 2015, an Investor, intending to subscribe to this Issue, shall submit a completed application form to any of the following Intermediaries (Collectively called "**Designated Intermediaries**"):

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
4.	A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

*The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as proof of having accepted the application form, in physical or electronic mode, respectively.*

The upload of the details in the electronic bidding system of stock exchange will be done by:

<b>For Applications submitted by investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries other than SCSBs:</b>	After accepting the application form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking funds that are available in the bank account specified in the Application Form used by ASBA Applicants.

### Availability of Prospectus and Application Forms

The Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, Lead Manager to the Issue, and Registrar to the Issue, as mentioned in the Application Form. The application forms may also be downloaded from the website of BSE limited i.e. [www.bseindia.com](http://www.bseindia.com).

### **Who can apply?**

In addition to the category of Applicants as set forth under “Part B -General Information Document for Investing in Public Issues-Category of Investors Eligible to participate in an Issue” on page 245 of this Prospectus, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs and sub-accounts registered with SEBI other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporate or foreign individuals only under the Non Institutional Investors category;
- Scientific and / or industrial research organizations authorized in India to invest in the Equity Shares.
- Any other persons eligible to apply in this Issue under the laws, rules, regulations, guidelines and policies applicable to them.

### **MAXIMUM AND MINIMUM APPLICATION SIZE**

#### **1. For Retail Individual Applicants**

The Application must be for a minimum of 4000 Equity Shares and in multiples of 4000 Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed ₹ 2,00,000.

#### **2. For Other than Retail Individual Applicants (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹2,00,000 and in multiples of 4000 Equity Shares thereafter. An Application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2, 00,000 for being considered for allocation in the Non-Institutional Portion.

**Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.**

**The above information is given for the benefit of the Applicants. The Company, Selling Shareholders and the LMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.**

### **Participation by Associates /Affiliates of LM and the Syndicate Members**

The LM, Market Maker and the Underwriter, if any shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting and market making obligations. However, associates/affiliates of the LM and Syndicate Members, if any may subscribe for Equity Shares in the Issue, either in the QIB Category or in the



Non- Institutional Category as may be applicable to the Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

**Option to Subscribe in the Issue**

- a) As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b) The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c) A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

**Application by Indian Public including eligible NRIs applying on Non-Repatriation Basis**

Application must be made only in the names of individuals, Limited Companies or Statutory Corporations/institutions and not in the names of Minors, Foreign Nationals, Non Residents Indian (except for those applying on non-repatriation), trusts, (unless the Trust is registered under the Societies Registration Act, 1860 or any other applicable Trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu Undivided Families, Partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public. Eligible NRIs applying on a non-repatriation basis should authorize their SCSB to block their NRE/FCNR accounts as well as NRO accounts.

**Applications by eligible NRIs/ FPI's on Repatriation Basis**

Application Forms have been made available for eligible NRIs at our registered office and at the office of the Lead Manager to the Issue.

Eligible NRIs applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under reserved category. The Eligible NRIs who intend to get the amount blocked in the Non Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians and shall not use the forms meant for reserved category.

Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30(thirty) days from the date of issue of shares of allotment to NRIs on repatriation basis.

Allotment of Equity shares to Non-Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in Equity shares will be allowed to be repatriated along with the income thereon subject to the permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws.

**As Per The Current Regulations, The Following Restrictions Are Applicable For Investments By FPIs.**

1. A foreign portfolio investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by a domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of Schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized Stock Exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian Company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where 'infrastructure' is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-Convertible debentures or bonds issued by Non – Banking Financial Companies categorized as 'Infrastructure Finance Companies' (IFC) by the Reserve Bank of India; (i) Rupee denominated bonds or units issued by

infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.

2. Where a foreign institutional investor or a sub account, prior to commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014, hold equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after Initial Public Offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment from the time being in force.
3. In respect of investments in the secondary market, the following additional conditions shall apply:
  - a) A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;
  - b) Nothing contained in clause (a) shall apply to:
    - ❖ Any transactions in derivatives on a recognized stock exchange;
    - ❖ Short selling transactions in accordance with the framework specified by the Board;
    - ❖ Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
    - ❖ Any other transaction specified by the Board.
  - c) No transaction on the stock exchange shall be carried forward;
  - d) The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the Board; provided nothing contained in this clause shall apply to:
    - i. transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;
    - ii. Sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - iii. Sale of securities in response to an offer made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
    - iv. Sale of securities, in accordance with the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;
    - v. divestment of securities in response to an offer by Indian Companies in accordance with Operative Guidelines of Disinvestment of shares of Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;
    - vi. Any bid for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;
    - vii. Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making portion of the Issue or subscribing to the unsubscribed portion of the Issue in accordance with Chapter XB of the Securities and Exchange Board of India ( Issue of Capital and Disclosure Requirements) Regulations, 2009;
    - viii. Any other transaction specified by Board.
  - e) A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form;

Provided that any shares held in non-dematerialized form, before the commencement of these regulation, can be held in non-dematerialized form, if such shares cannot be dematerialized.

4. Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Depositories Act, 1996.
5. The purchase of Equity Shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.

6. The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.
7. In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.
8. A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.

No foreign portfolio investor may issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:

- a) Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority;
- b) Such offshore derivatives instruments are issued after compliance with 'know your client' norms:

Provided that those unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal, in offshore derivatives instruments directly or indirectly:

Provided further that no Category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.

A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.

Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.

Any offshore derivative instruments issued under the Securities and Exchange Board of India of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulation, 2014 shall be deemed to have been issued under the corresponding provision of SEBI (Foreign Portfolio Investors) Regulation, 2014.

The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10 per cent of the total issued capital of the company.

An FII or its subaccount which holds a valid certificate of registration shall, subject to the payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as a foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

Qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provision of SEBI (Foreign Portfolio Investors) Regulation, 2014, for a period of one year from the date of commencement of aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

### **Application by Mutual Funds**

As per the Current regulations, the following restrictions are applicable for investments by Mutual Fund:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index

funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any company's paid up share capital carrying voting rights.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

The Application made by Asset Management Companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

### **Applications by Limited Liability Partnerships**

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the LLP Act, 2008 must be attached to the Application Form. Failing this, our Company and Selling Shareholders reserves the right to reject any Application without assigning any reason thereof.

### **Applications by Insurance Companies**

In case of applications made by insurance companies registered with IRDA, certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company, Selling Shareholders in consultation with the LM, reserves the right to reject any application, without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment Scheme) (5th Amendment) Regulations, 2010, as amended (the "IRDA Investment Regulations"), are broadly set forth below:

- a. Equity shares of a company: The lesser of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- b. The entire group of the investee company: at least 10% of the respective fund in case of a life insurer or 10% of investment assets in case of general insurer or reinsurer (25% in case of Unit Linked Insurance Plans); and
- c. The industry sector in which the investee company operates: 10% of the insurer's total investment exposure to the industry sector (25% in case of Unit Linked Insurance Plans).

### **Applications under Power of Attorney**

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIIs, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 Lakhs, a certified copy of the power of attorney or the relevant Resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

With respect to the applications by VCFs, FVCIs and FPIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may belong with a certified copy of their SEBI registration certificate must be

lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolutions or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be submitted along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by the IRDA must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made by to the power of attorney by FIIs, a certified copy of the power of attorney the relevant resolution or authority, as the case may be along with the certified copy of SEBI registration certificate must be lodged with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In the case of Applications made by provident funds, subject to applicable law, with minimum corpus of Rs. 2500 Lacs and pension funds with minimum corpus of Rs. 2500 Lacs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

#### **Application by Provident Funds/Pension Funds**

In case of Applications made by provident funds with minimum corpus of Rs. 2,500 lakhs (subject to applicable law) and pension funds with minimum corpus of Rs. 2,500 lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The above information is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of filing of this Prospectus. Applicants are advised to make their independent investigations and ensure that the maximum number of Equity Shares applied for or maximum investment limits do not exceed the applicable limits under laws or regulations or as specified in this Prospectus.

#### **Information for the Applicants:**

1. Our Company and the Lead Managers shall declare the Issue Opening Date and Issue Closing Date in the Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file the Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
3. Copies of the Application Form along with Abridge Prospectus and copies of the Prospectus will be available with the, the Lead Managers, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Application Forms will also be available on the websites of the Stock Exchange,
4. Any applicant who would like to obtain the Prospectus and/ or the Application Form can obtain the same from our Registered Office.
5. Applicants who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.

6. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account.
8. Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSBs or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding persons resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be “suspended for credit” and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.
10. The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

#### **Method and Process of Applications**

1. The Designated Intermediaries shall accept applications from the Applicants during the Issue Period.
2. The Issue Period shall be for a minimum of three Working Days and shall not exceed 10 (ten) Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding 10 (ten) Working Days.
3. During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.
4. The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to another Designated Intermediaries will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Issue.
5. Designated Intermediaries accepting the application forms shall be responsible for uploading the application along with other relevant details in application forms on the electronic bidding system of stock exchange and submitting the form to SCSBs for blocking of funds (except in case of SCSBs, where blocking of funds will be done by respective SCSBs only). All applications shall be stamped and thereby acknowledged by the Designated Intermediaries at the time of receipt.
6. Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediaries shall verify if sufficient funds equal to the Application Amount are available in the ASBA

Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.

7. If sufficient funds are not available in the ASBA Account, the Designated Intermediaries shall reject such applications and shall not upload such applications with the Stock Exchange.
8. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request.
9. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization 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/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

### **Terms of payment**

The entire Issue price of ₹ 27.00 per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The applicants should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

### **Payment mechanism**

The applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However Non Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Applicant, as the case may be.

*Please note that pursuant to SEBI circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 investors in the public issue can only invest through ASBA Mode.*

### **Electronic Registration of Applications**

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.

3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - (i) the applications accepted by them,
  - (ii) the applications uploaded by them
  - (iii) the applications accepted but not uploaded by them or
  - (iv) with respect to applications by Applicants, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Application form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Lead Managers nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
  - (i) the applications accepted by any Designated Intermediaries
  - (ii) the applications uploaded by any Designated Intermediaries or
  - (iii) the applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Manager on a regular basis.
6. With respect to applications by Applicants, at the time of registering such applications, the Syndicate Members, DPs and RTAs shall forward a Schedule as per format given below along with the Application Forms to Designated Branches of the SCSBs for blocking of funds:

S. No.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

*\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Applicants, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Applicants into the on-line system:
  - Name of the Applicant;
  - IPO Name;
  - Application Form Number;
  - Investor Category;
  - PAN (of First Applicant, if more than one Applicant);
  - DP ID of the demat account of the Applicant;
  - Client Identification Number of the demat account of the Applicant;



- Number of Equity Shares Applied for;
  - Bank Account details;
  - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - Bank account number.
8. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Application Form number which shall be system generated.
  9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
  10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
  11. In case of Non Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in the Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
  12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
  13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
  14. The SCSBs shall be given one day after the Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
  15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

**Allocation of Equity shares**

- 1) The Issue is being made through the Fixed Price Process wherein 96,000 Equity Shares shall be reserved for Market Maker. 14,40,000 Equity shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on proportionate basis to Non Retail Applicants.
- 2) Under- subscription if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Managers and the Stock Exchange.

- 3) Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
- 4) In terms of SEBI Regulations, Non Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage.
- 5) Allotment status details shall be available on the website of the Registrar to the Issue.

**Signing of Underwriting Agreement and Filing of Prospectus with ROC**

- a) Our company and Selling Shareholders has entered into an Underwriting Agreement dated October 03, 2016.
- b) A copy of Prospectus will be filled with the RoC in terms of Section 26 of Companies Act, 2013.

**Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National News paper and (iii) Regional Newspaper each with wide circulation.

**Issuance of Allotment Advice**

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) The Lead Managers or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Issue.

The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicant.

**General Instructions****Do's:**

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about the Depository Participant and the beneficiary account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the Demographic Details are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.
- Ensure that you have funds equal to the Application Amount in the ASBA account maintained with the SCSB before submitting the Application Form under the ASBA process to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations); Instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
- Ensure that the Application Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
- Ensure that the Application Forms are delivered by the applicants within the time prescribed as per the Application Form and the Prospectus;
- Ensure that you have requested for and receive a TRS;
- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your application options;
- All Investors submit their applications through the ASBA process only;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and

- The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Don'ts:**

- Do not apply for lower than the minimum Application size;
- Do not apply for a price different from the price mentioned herein or in the Application Form;
- Do not apply on another Application Form after you have submitted an application to the SCSBs, Registered Brokers of Stock Exchange, RTA and DPs registered with SEBI;
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
- Do not send Application Forms by post, instead submit the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company
- Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;
- Do not apply for an Application Amount exceeding Rs. 2,00,000 (for applications by Retail Individual Applicants);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
- Do not submit applications on plain paper or incomplete or illegible Application Forms in a colour prescribed for another category of Applicant; and
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.
- Do not make more than five application from one bank account.

**Instructions for Completing the Application Form**

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Application Forms should bear the stamp of the Designated Intermediaries. ASBA Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No.CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application forms in public issues using the stock broker (₹broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com) and NSE i.e. [www.nseindia.com](http://www.nseindia.com) With a view to broad base the reach of Investors by substantial), enhancing the points for submission of applications, SEBI vide Circular No.CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect front January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com) and NSE i.e. [www.nseindia.com](http://www.nseindia.com)

**Applicant's Depository Account and Bank Details**

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain front the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

### **Submission of Application Form**

All Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

### **Communications**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the 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, credit of allotted shares in the respective beneficiary accounts, etc.

### **Disposal of Application and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps 'for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;
2. The Company will provide adequate funds required for dispatch of Allotment Advice to the Registrar to the Issue.

### **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.

### **Undertakings by Our Company**

We undertake as follows:

- 1) That the complaints received in respect of the Issue shall be attended to by us expeditiously and satisfactorily;
- 2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 (six) Working days of Issue Closing Date.
- 3) That if the Company do not proceed with the Issue, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 4) That the our Promoters' contribution in full has already been brought in;
- 5) That no further issue of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or until the Application monies are unblocked on account of non-listing, under subscription etc. and
- 6) That if the Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the RoC/ SEBI, in the event our Company subsequently decides to proceed with the Issuer;

### **Undertakings by the Selling Shareholder**

- 1) The Equity Shares offered pursuant to the Offer for Sale have been held by the Selling Shareholder for a period of at least one year prior to the date of this Prospectus, are free and clear of any liens or encumbrances and, to the extent that the Equity Shares being offered have resulted from a bonus issue, the bonus issue has been on equity shares held for a period of at least one year prior to the filing of this Prospectus and has been issued out of free reserves and share premium existing in the book as at March 31, 2016;
- 2) The Selling Shareholder is the legal and beneficial owner of and has full title to the Investor Offered Shares;
- 3) The Selling Shareholder will not have recourse to the proceeds of the Offer for Sale, until approval for trading of the Equity Shares from all Stock Exchanges where listing is sought has been received;
- 4) The Selling Shareholder will not sell, transfer, dispose of in any manner or create any lien, charge or encumbrance on the Equity Shares offered in the Offer for Sale; and
- 5) The Selling Shareholder will take all such steps as may be required to ensure that the Equity Shares being sold by them in the Offer for Sale are available for transfer in the Offer for Sale.
- 6) They shall take all such steps as may be required to ensure that the Equity Shares being sold by them pursuant to the Offer are available for transfer in the Offer within the time specified under applicable law; and
- 7) They shall comply with all applicable laws, in India, including the Companies Act, the SEBI Regulations, the FEMA and the applicable circulars, guidelines and regulations issued by SEBI and RBI, each in relation to the Equity Shares offered by them in the Offer.

### **Utilization of Issue Proceeds**

The Board of Directors of our Company certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;

- 2) Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested and
- 4) Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
- 5) Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
- 6) The Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

**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 had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) Agreement dated September 29, 2016 between NSDL, the Company and the Registrar to the Issue;
- b) Agreement dated September 06, 2016 between CDSL, the Company and the Registrar to the Issue;

The Company's equity Shares bear an ISIN No. INE655V01019

## 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 Prospectus/Prospectus before investing in the Issue

#### Section 1: Purpose of the General Information Document (GID)

This document is applicable to the public issues undertaken inter-alia through 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”).

Applicants should note that investment in equity and equity related securities involves risk and Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue; are set out in the Prospectus filed by the Issuer with the Registrar of Companies (“RoC”). Applicants should carefully read the entire Prospectus and the Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the Prospectus, the disclosures in the Prospectus shall prevail. The Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the LM(s) to the Issue and on the website of Securities and Exchange Board of India (“SEBI”) at [www.sebi.gov.in](http://www.sebi.gov.in).

For the definitions of capitalized terms and abbreviations used herein Applicants may 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 may refer to the Prospectus.

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(1) of Chapter XB of SEBI (ICDR) Regulation.

## 2.2 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 (1) 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 LM 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 Lead Manager 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 LM 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) The Issuer shall have Net Tangible Assets of atleast Rs. 3 crore as per the latest audited financial result.
- f) The Net worth (excluding revaluation reserves) of the Issuer shall be at least Rs. 3 crore as per the latest audited financial result.
- g) The issuer should have a tract record of distributable profits in terms of Section 123 of Companies Act, 2013 for two out of immediately preceding three financial years or it should have net worth of atleast Rs. 5 crores.
- h) The post –issue paid up capital of the issuer shall be at least Rs. 3crore.
- 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.
- l) 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 BSE 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 7, 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(1) and other provision of Chapter XB of SEBI (ICDR) Regulations as the post –issue face value capital does not exceed Rs.1000 Lacs. Company also complies with the eligibility conditions laid by the SME Platform of BSE for listing of our Equity Shares.

### **2.3 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.

Applicants should refer to the Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

### **2.4 Issue Period**

The Issue may be kept open for a minimum of three Working Days (for all category of Applicants) and not more than ten Working Days. Applicants are advised to refer to the Application Form and Abridged Prospectus or Prospectus for details of the Issue Period. Details of Issue Period are also available on the website of Stock Exchange.

### **2.5 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:

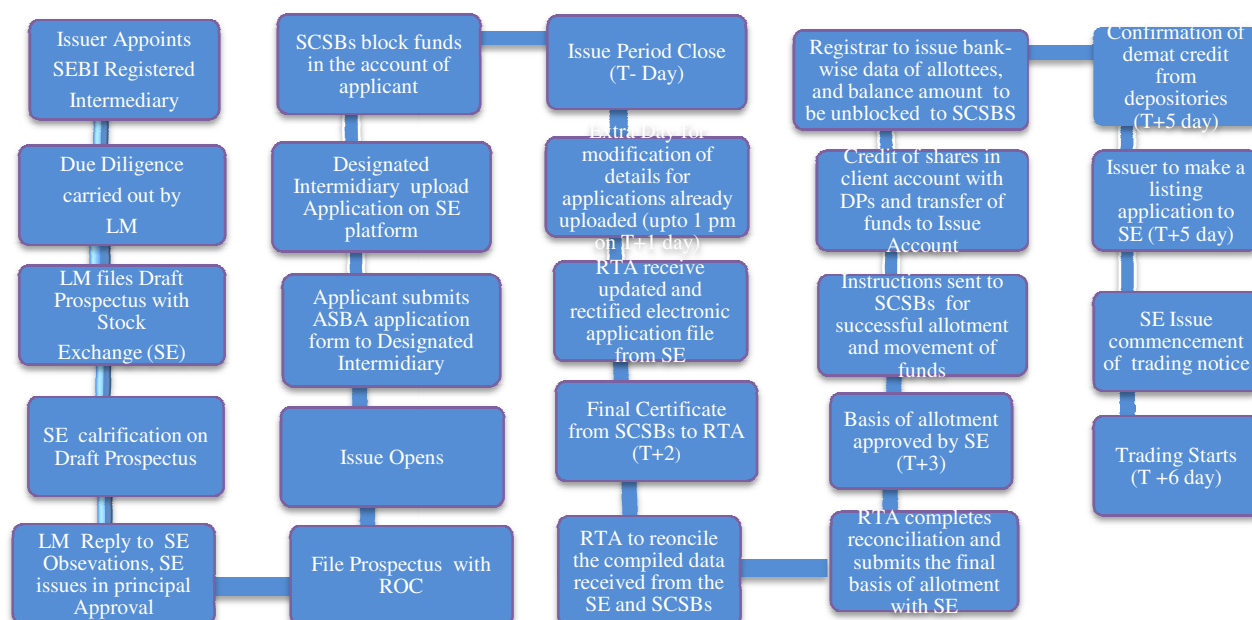
- a) If the Paid up Capital of the Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other 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

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.

### **2.6 Flowchart Of Timelines**

A flow chart of process flow in Fixed Price Issues is as follows:



### Section 3: Category of Investors Eligible to Participate in an Issue

**Each Applicant should check whether it is eligible to apply under applicable law.** Furthermore, certain categories of 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. Applicants are requested to refer to the Prospectus for more details.

Subject to the above, an illustrative list of Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three) 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

**Fixed Price Issue:** Applicants should only use the specified Application Form either bearing the stamp of Designated Intermediaries as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the registered office of the Issuer, and office of the RTA and at the office of the LM. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Applicants should ensure that they apply in the appropriate category. The prescribed color of the Application Form for various categories of Applicants is as follows:

Category	Color of the Application
Resident Indian, Eligible NRIs applying on a non -repatriation basis	White
NRIs, FVCIs, FIIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporate(s) or foreign individuals bidding under the QIB), FPIs on a repatriation basis	Blue

Securities Issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Applicants will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialized subsequent to allotment.

#### 4.1 Instructions For Filing Application Form/ Application Form (Fixed Price Issue)

Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the Prospectus and Application Form are liable to be rejected.

Instructions to fill each field of the Application Form can be found on the reverse side of the Application Form. Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below.

The samples of the Application Form for resident Applicants and the Application Form for non-resident Applicants are reproduced below:

<b>COMMON BID CUM APPLICATION FORM</b>	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b>	<b>FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS</b>
LOGO	Address : _____ Contact Details: _____ CIN No _____	Bid cum Application Form No. _____
TO, THE BOARD OF DIRECTORS XYZ LIMITED		<b>FIXED PRICE GME ISSUE</b> <b>INE000000000</b>
<b>SYNDICATE MEMBER'S STAMP &amp; CODE</b>		<b>BROKER/SCSB/DP/RTA STAMP &amp; CODE</b>
<b>SUB-BROKER'S / SUB-AGENT'S STAMP &amp; CODE</b>		<b>ESCROW BANK/SCSB BRANCH STAMP &amp; CODE</b>
<b>BANK BRANCH SERIAL NO.</b>		<b>SCSB SERIAL NO.</b>
<b>1. NAME &amp; CONTACT DETAILS OF SOLE / FIRST BIDDER</b>		
Mr. / Ms. _____		
Address _____		
Tel. No (with STD code) / Mobile _____ Email _____		
<b>2. PAN OF SOLE / FIRST BIDDER</b>		
_____		
<b>3. BIDDER'S DEPOSITORY ACCOUNT DETAILS</b> <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL		<b>4. INVESTOR STATUS</b>
For NSDL, enter 8 digit DP ID followed by 8 digit Client ID / For CDSL, enter 16 digit Client ID		<input type="checkbox"/> Individual(s) - IND
_____		<input type="checkbox"/> Hindu Undivided Family* - HUF
_____		<input type="checkbox"/> Bodies Corporate - CO
_____		<input type="checkbox"/> Banks & Financial Institutions - FI
_____		<input type="checkbox"/> Mutual Funds - MF
_____		<input type="checkbox"/> Non-Resident Indians - NRI (Non-Repatriation basis)
_____		<input type="checkbox"/> National Investment Fund - NIF
_____		<input type="checkbox"/> Insurance Funds - IF
_____		<input type="checkbox"/> Insurance Companies - IC
_____		<input type="checkbox"/> Venture Capital Funds - VCF
_____		<input type="checkbox"/> Alternative Investment Funds - AIF
_____		<input type="checkbox"/> Others (Please specify) - OTH
_____		<input type="checkbox"/> QIB
*HUF should apply only through Karva Application by HUF (to be treated on par with Individual)		
<b>4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")</b>		
Bid Options:	No. of Equity Shares Bid (In Figures) (Dist: must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)
	Bid Price Retail Discount Net Price	Cut-off (Please tick)
Option 1	_____	_____
(OR) Option 2	_____	_____
(OR) Option 3	_____	_____
<b>5. CATEGORY</b>		<input type="checkbox"/> Retail Investor Bidder
_____		<input type="checkbox"/> Non-Institutional Bidder
_____		<input type="checkbox"/> QIB
<b>7. PAYMENT DETAILS</b>		
Amount paid (₹ in figures) _____ (₹ in words) _____		
PAYMENT OPTION : FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/>		
ASBA Bank A/c No. _____		
Bank Name & Branch _____		
I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID-CUM APPLICATION FORM AND THE APPLICABLE APPLICABLE PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE BIDDERS UNDERTAKING AS GIVEN OVERLEAF I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILING UP THE BID-CUM APPLICATION FORM GIVEN OVERLEAF		
<b>8A. SIGNATURE OF SOLE / FIRST BIDDER</b>	<b>8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)</b>	<b>BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)</b>
_____	_____	_____
Date : _____	I/We authorize the SCSB to do all acts as are necessary to make the Application in the law	
	1) _____	
	2) _____	
	3) _____	
TEAR HERE		
LOGO	<b>XYZ LIMITED</b> <b>INITIAL PUBLIC ISSUE - R</b>	<b>Acknowledgement Slip for Broker/SCSB/DP/RTA</b>
DPID / CLID	_____	Bid cum Application Form No. _____
Amount paid (₹ in figures)	Bank & Branch	PAN of Sole / First Bidder
ASBA Bank A/c No.	_____	_____
Received from Mr./Ms.	_____	Stamp & Signature of SCSB Branch
Telephone / Mobile	Email	_____
TEAR HERE		
<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b>	Option 1 Option 2 Option 3	Name of Sole / First Bidder
No. of Equity Shares	_____	_____
Bid Price	_____	Stamp & Signature of Broker / SCSB / DP / RTA
Amount Paid (₹)	_____	_____
ASBA Bank A/c No.	_____	<b>Acknowledgement Slip for Bidder</b>
Bank & Branch	_____	_____
		Bid cum Application Form No. _____

<b>COMMON BID CUM APPLICATION FORM</b>	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - NR</b> Address : ..... Contact Details : ..... CIN No : .....	For Eligible NRI, FI, FVCI, applying on Restriction Basis				
LOGO	TO, THE BOARD OF DIRECTORS XYZ LIMITED	Bid cum Application Form No. _____				
	FIXED PRICE GME ISSUE INE0000000000					
SYNDICATE MEMBER'S STAMP & CODE		1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER				
BROKER/SCSB/DP/RTA STAMP & CODE						
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE		Mr. / Ms. _____				
ESROW BANK/SCSB BRANCH STAMP & CODE		Address _____				
BANK BRANCH SERIAL NO.		_____ Email _____				
SCSB SERIAL NO.		Tel. No (with STD code) / Mobile _____				
		2. PAN OF SOLE / FIRST BIDDER _____				
3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL						
For NSDL, enter 8 digit DP ID followed by 8 digit Client ID / For CDSL, enter 16 digit Client ID						
4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")						
Bid Options	No. of Equity Shares Bid (In Figures) (This must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			5. CATEGORY	
		Bid Price	Retail Discount	Net Price		
Option 1	8   7   6   5   4   3   2   1	8   7   6   5   4   3   2   1	8   7   6   5   4   3   2   1	8   7   6   5   4   3   2   1	<input type="checkbox"/> Retail Investor Bidder <input type="checkbox"/> Non-Institutional Bidder <input type="checkbox"/> QIB	
OR) Option 2						
(OR) Option 3						
7. PAYMENT DETAILS			PAYMENT OPTION : FULL PAY			
Amount paid (₹ in figures) _____ (₹ in words) _____						
ASBA Bank A/c No. _____						
Bank Name & Branch _____						
I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABBREVIATED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES (GDI) AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.						
8A. SIGNATURE OF SOLE/ FIRST BIDDER	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)		BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)			
Date : _____	I/We authorize the SCSB to do all acts as are necessary to make the Application in the name					
	1) _____					
	2) _____					
	3) _____					
TEAR HERE						
LOGO	<b>XYZ LIMITED</b> INITIAL PUBLIC ISSUE - NR	Acknowledgement Slip for Broker/SCSB DP/RTA	Bid cum Application Form No. _____			
DPID / CLID	PAN of Sole / First Bidder					
Amount paid (₹ in figures)	Bank & Branch	Stamp & Signature of SCSB Branch				
ASBA Bank A/c No.						
Received from Mr./Ms.						
Telephone / Mobile	Email					
TEAR HERE						
XYZ LIMITED - INITIAL PUBLIC ISSUE - NR	No. of Equity Shares	Option 1	Option 2	Option 3	Stamp & Signature of Broker / SCSB / DP / RTA	Name of Sole / First Bidder
	Bid Price					
	Amount Paid (₹)				<b>Acknowledgement Slip for Bidder</b>	
	ASBA Bank A/c No.					
Bank & Branch				Bid cum Application Form No. _____		

#### 4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/FIRST APPLICANT

Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

- a) **Mandatory Fields:** Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Applicants should note that the contact details mentioned in the Application Form may be used to dispatch communications(including letters notifying the unblocking of the bank accounts of \Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Application Form may be used by the Issuer,
- b) The Designated Intermediaries and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- c) **Joint Applications:** In the case of Joint Applications, the Applications should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Applicant would be required in the Bid cum Application Form/Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders All communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- d) **Impersonation:** Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who:

- makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
  - makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
  - otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”
- e) **Nomination Facility to Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Applicants should inform their respective DP.

#### 4.1.2 FIELD NUMBER 2: PAN NUMBER OF SOLE/FIRST APPLICANT

- a) PAN (of the sole/ first Applicant) provided in the Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories’ records.
- b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Applications on behalf of the Central or State Government, Applications by officials appointed by the courts and Applications by Applicants residing in Sikkim (“PAN Exempted Applicants”). Consequently, all Applicants, other than the PAN Exempted Applicants, are required to disclose their PAN in the Application Form, irrespective of the Application Amount. A Application Form without PAN, except in case of Exempted Applicants, is liable to be rejected. Applications by the Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.
- c) The exemption for the PAN Exempted Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.

- d) Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- e) Applications by Applicants whose demat accounts have been 'suspended for credit' are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and demographic details are not provided by depositories.

#### 4.1.3 FIELD NUMBER 3: APPLICANTS DEPOSITORY ACCOUNT DETAILS

- a) Applicants should ensure that DP ID and the Client ID are correctly filled in the Application Form. The DP ID and Client ID provided in the Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Application Form is liable to be rejected.**
- b) Applicants should ensure that the beneficiary account provided in the Application Form is active.
- c) Applicants should note that on the basis of DP ID and Client ID as provided in the Application Form, the Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for unblocking of ASBA Account or for other correspondence(s) related to an Issue.
- d) Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants' sole risk.

#### 4.1.4 FIELD NUMBER 4: APPLICATION DETAILS

- a) The Issuer may mention Price in the Draft Prospectus. However a Prospectus registered with RoC contains one price.
- b) Minimum and Maximum Application Size
  - i. For Retails Individual Applicants  
The Application must be for a minimum of 4000 equity shares. As the application price payable by the retail individual applicants cannot exceed Rs. 200000 they can make Application for only minimum Application size i.e. for 4000 equity shares.
  - ii. For Other Applicants (Non Institutional Applicants and QIBs):
  - iii. The Application must be for a minimum of such number of equity shares such that the Application Amount exceeds Rs. 200000 and in multiples of 4000 equity shares thereafter. An application cannot be submitted for more than the Issue Size. However, the maximum application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application. In case of revision of Applications, the Non Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 200000 for being considered for allocation in the Non Institutional Portion. Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of equity shares that can be held by them under prescribed law or regulation or as specified in this Prospectus.
- c) **Multiple Applications:** An applicant should submit only one Application Form. Submission of a second Application Form to either the same or to the Designated Intermediaries and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.

- d) 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 PFI sub-accounts, applications bearing the same PAN may be treated as multiple applications by an Applicant and may be rejected.
  - ii. For applications from Mutual Funds and FPI sub-accounts, submitted under the same PAN, as well as Applications 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.
- e) The following applications may not be treated as multiple applications:
  - i. Application by Reserved Categories in their respective reservation portion as well as that made by them in the Net 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 Application clearly indicates the scheme for which the application has been made.
  - iii. Application by Mutual Funds, and sub-accounts of FPIs (or FPIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs, and DP IDs.

#### **4.1.5 FIELD NUMBER 5: CATEGORY OF APPLICANTS**

- a) The categories of Applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Application, allocation and allotment in the Issue are RIIs, Individual applicants other than RIIs, 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 as permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, Applicants may refer to the Prospectus.
- c) The SEBI ICDR Regulations, 2009, specify the allocation or allotment that may be made to various categories of Applicants in an Issue depending upon compliance with the eligibility conditions. For details pertaining to allocation and Issue specific details in relation to allocation Applicant may refer to the Prospectus.

#### **4.1.6 FIELD NUMBER 6: INVESTOR STATUS**

- a) Each Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue is in compliance with the investment restrictions under applicable law.
- b) Certain categories of Applicants, such as NRIs, FIIs, FPIs and FVCIs may not be allowed to Apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.
- c) Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Application Form and Non-Resident Application Form.
- d) Applicants should ensure that their investor status is updated in the Depository records.

#### **4.1.7 FIELD NUMBER 7: PAYMENT DETAILS**

- a) All Applicants are required to use ASBA facility to block the full Amount (net of any Discount, as applicable) along-with the Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Amount in the Application Form and the funds shall be blocked for Amount net of



Discount. Only in cases where the Prospectus indicates that part payment may be made, such an option can be exercised by the Applicant.

- b) All categories of investors can participate in the Issue only through ASBA mechanism.
- c) Application Amount cannot be paid in cash, through money order or through postal order or through stock invest.

#### **4.1.7.1 Payment instructions for Applicants**

- (a) Applicants may submit the Application Form either in physical mode or online mode to any Designated Intermediaries.
- (b) Applicants should specify the Bank Account number in the Application Form. The application form submitted by an applicant and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.
- (c) Applicant 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) Applicant 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 Application Forms can be submitted.
- (f) Applicants applying through a member of the Syndicate should ensure that the Application Form is submitted to a member of the Syndicate only at the Specified Locations. Applicants should also note that 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 Application Form, is maintained has not named at least one branch at that location for the members of the Syndicate to deposit Application Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>).
- (g) Applicants applying through a Registered Broker, RTA or CDP should note that Application Forms submitted to them may not be accepted, if the SCSB where the ASBA Account, as specified in 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 Application Forms.
- (h) ASBA Applicant applying 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.
- (i) Upon receipt of 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.
- (j) 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 may upload the details on the Stock Exchange Platform.
- (k) 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.
- (l) 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.
- (m) The Application Amount may remain blocked in the aforesaid ASBA Account until finalization 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.

- (n) SCSBs applying in the Issue must apply through an Account maintained with any other SCSB; else their Application is liable to be rejected.

#### **4.1.8 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, if any, 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/ non allotment / partial allotment ASBA Application, if any, along with reasons for rejection and details of withdrawn or unsuccessful Application, 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.

In the event of withdrawal or rejection of the Application Form and for unsuccessful Application, the Registrar to the Issue may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within 6 Working Days of the Issue Closing Date.

##### **4.1.8.1 Discount (if applicable)**

- a) The Discount is stated in absolute rupee terms.
- b) RII, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, Applicants may refer to the Prospectus.
- c) For the Applicants entitled to the applicable Discount in the Issue the Application Amount less Discount (if applicable) shall be blocked.

##### **4.1.8.2 Additional Instructions for NRIs**

The Non-Resident Indians who intend to block funds in their Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of Application by NRIs applying on a repatriation basis, blocking of funds in their NRO account shall not be accepted.

#### **4.1.9 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS**

- a) Only the First Applicant is required to sign the Application Form. Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- b) If the ASBA Account is held by a person or persons other than the Applicant, then the Signature of the ASBA Account holder(s) is also required.
- c) In relation to the Applications, signature has to be correctly affixed in the authorization/undertaking box in the Application Form, or an authorization has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form.
- d) Applicants must note that Application Form without signature of Applicant and /or ASBA Account holder is liable to be rejected.

#### **4.1.10 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

Applicants should ensure that they receive the acknowledgment duly signed and stamped by the Designated Intermediary, as applicable, for submission of the Application Form.

- a) All communications in connection with Applications made in the Issue should be addressed as under:
  - i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, unblocking of funds, the Applicants should contact the Registrar to the Issue.
  - ii. In case of Applications submitted to the Designated Branches of the SCSBs or Registered Brokers or Registered RTA/DP, the Applicants should contact the relevant Designated Branch of the SCSB or Registered Brokers or Registered RTA/DP, as the case maybe.
  - iii. Applicant may contact the Company Secretary and Compliance Officer or LM(s) in case of any other complaints in relation to the Issue.
- b) The following details (as applicable) should be quoted while making any queries –
  - i. Full name of the sole or Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application.
  - ii. name and address of the Designated Intermediary, where the Application was submitted; or
  - iii. In case of ASBA Applications, ASBA Account number in which the amount equivalent to the Application Amount was blocked.

For further details, Applicant may refer to the Prospectus and the Application Form.

#### **4.2 INSTRUCTIONS FOR FILING THE REVISION FORM**

- a) During the Issue Period, any Applicant (other than QIBs and NIIs, who can only revise their application upwards) who has registered his or her interest in the Equity Shares at a particular number of shares is free to revise number of shares applied using revision forms available separately.
- b) RII may revise their applications till closure of the issue period or withdraw their applications until finalization of allotment.
- c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.
- d) The Applicant can make this revision any number of times during the Issue Period. However, for any revision(s) in the Application, the Applicants will have to use the services of the same Designated Intermediary through which such Applicant had placed the original Application.

A sample Revision form is reproduced below:

<b>COMMON BID REVISION FORM</b>		<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b>		<b>FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS</b>	
Address : _____ Contact Details : _____ CIN No _____		BOOK BUILT ISSUE		Bid cum Application Form No. _____	
LOGO		TO, THE BOARD OF DIRECTORS XYZ LIMITED		ISIN : _____	
SYNDICATE MEMBER'S STAMP & CODE		BROKER/SCSB/DP/RTA STAMP & CODE		1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER	
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE		ESCROW BANK/SCSB BRANCH STAMP & CODE		Mr./Ms. _____ Address _____ Email _____ Tel. No (with STD code) / Mobile _____	
BANK BRANCH SERIAL NO.		SCSB SERIAL NO.		3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL	
PLEASE CHANGE MY BID					
4. FROM (AS PER LAST BID OR REVISION)					
Bid Options		No. of Equity Shares Bid (Bid must be in multiples of Bid Lot as advertised) (In Figures)		Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)	
Option 1		8 7 6 5 4 3 2 1		Bid Price Retail Discount Net Price "Cut-off" (Please tick)	
(OR) Option 2		1 1 1 1 1 1 1 1		1 1 1 1 1 1 1 1	
(OR) Option 3		1 1 1 1 1 1 1 1		1 1 1 1 1 1 1 1	
5. TO (Revised Bid) (Only Retail Individual Bidders can Bid at "Cut-off")					
Bid Options		No. of Equity Shares Bid (Bid must be in multiples of Bid Lot as advertised) (In Figures)		Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)	
Option 1		8 7 6 5 4 3 2 1		Bid Price Retail Discount Net Price "Cut-off" (Please tick)	
(OR) Option 2		1 1 1 1 1 1 1 1		1 1 1 1 1 1 1 1	
(OR) Option 3		1 1 1 1 1 1 1 1		1 1 1 1 1 1 1 1	
6. PAYMENT DETAILS					
Additional Amount Paid (₹ in figures)			PAYMENT OPTION : FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/>		
ASBA Bank A/c No. _____			Bank Name & Branch _____		
7. SIGNATURE OF SOLE / FIRST BIDDER					
Date : _____		7. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)		BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)	
TEAR HERE					
LOGO		XYZ LIMITED		Bid cum Application Form No. _____	
BID REVISION FORM - INITIAL PUBLIC ISSUE - R		Acknowledgement Slip for Broker/SCSB/DP/RTA		PAN of Sole / First Bidder _____	
EPID / CLID		Additional Amount Paid (₹) _____ Bank & Branch _____		Stamp & Signature of SCSB Branch _____	
ASBA Bank A/c No. _____		Received from Mr./Ms. _____		Telephone / Mobile _____ Email _____	
TEAR HERE					
XYZ LIMITED - INITIAL PUBLIC ISSUE - R		Option 1 Option 2 Option 3		Stamp & Signature of Broker / SCSB / DP / RTA	
No. of Equity Shares		Bid Price		Name of Sole / First Bidder	
Additional Amount Paid (₹)		ASBA Bank A/c No. _____		Acknowledgement Slip for Bidder	
Bank & Branch _____		Bid cum Application Form No. _____			

**4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST APPLICANT, PAN OF SOLE/FIRST APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE APPLICANT**

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

**4.2.2 FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'**

- a) Apart from mentioning the revised options in the Revision Form, the Applicant must also mention the details of the share applied for given in his or her Application Form or earlier Revision Form.
- b) In case of revision of Applications by RIIs, Employees and Retail Individual Shareholders, such Applicants should ensure that the Application Amount, should not exceed Rs.2,00,000/- due to revision and the application may be considered, subject to the eligibility, for allocation under the Non-Institutional Category.

**4.2.3 FIELD 6: PAYMENT DETAILS**

Applicant may Issue instructions to block the revised amount in the ASBA Account, to the Designated Branch through whom such Applicant had placed the original Application to enable the relevant SCSB to block the additional Application Amount, if any.

**4.2.4 FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS**

Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

#### 4.3 SUBMISSION OF REVISION FORM/APPLICATION FORM

Applicants may submit completed application form / Revision Form in the following manner:-

Mode of Application	Submission of Application Form
All Investor Applications	To the Designated Intermediaries

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode respectively

### SECTION 5: ISSUE PROCEDURE IN FIXED PRICE ISSUE

#### 5.1 Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue.

As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form. Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through Designated Intermediary.

Applicants may submit an Application Form either in physical/ electronic form to Designated Intermediaries or the Designated Branches of the SCSBs authorizing blocking of funds that are available in the bank account specified in the Application Form only (“ASBA Account”). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Issue Opening Date.

In a fixed price Issue, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

#### 5.2 GROUNDS FOR TECHNICAL REJECTIONS

Applicants are advised to note that the Applications are liable to be rejected, inter-alia, on the following technical grounds:-

- Amount paid does not tally with the amount payable for the Equity shares applied for;
- In case of partnership firms, Application for Equity Shares made in the name of the individual partners and no firm as such shall be entitled to apply.
- Application by persons not competent to contract under the Indian Contract Act, 1872, including minors, insane person.
- PAN not mentioned in the Application Form.
- GIR number furnished instead of PAN.
- Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of 4000;
- Category not ticked;
- Multiple Applications as defined in this Prospectus as such, based on common PAN;
- In case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicants within the time prescribed as per the Application Form, Issue Opening Date advertisement and Prospectus as per the instructions in the Prospectus and Application Forms;

- In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US person other than in reliance on Regulation S or “ qualified institutional buyers” as defined in Rule 144A under the Securities Act;
- Application not duly signed by the sole applicant;
- Application by any person outside India if not in compliance with applicable foreign and Indian Laws;
- Application that do not comply with the securities laws of their respective jurisdictions are liable to be rejected.
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Application by person not eligible to acquire equity shares of the company in terms of all applicable laws, rules, regulations, guidelines, and approvals.
- Application or revision thereof by QIB Applicants , Non Institutional Applicants where the Application Amount is in excess of Rs. 200000 received after 3.00 pm on the issue Closing date unless the extended time is permitted by BSE.
- Inadequate funds in the bank account to block the Application Amount specified in the Application Form/Application Form at the time of blocking such Application Amount in the bank account;
- Where no confirmation is received from SCSB for blocking of funds;
- Applications by Applicants not submitted through ASBA process;
- Applications not uploaded on the terminals of the Stock Exchanges; and
- 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 Application Form.
- Details of ASBA Account not provided in the Application form
- From one ASBA Account, more than five applications are made by applicant.

For details of instructions in relation to the Application Form, Applicants may refer to the relevant section of GID.

**APPLICANT SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGE BY THE BROKERS DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.**

#### **SECTION 6: ISSUE PROCEDURE IN BOOK BUILT ISSUE**

This being the Fixed Price Issue this section is not applicable for this Issue.

#### **SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

##### **7.1 Basis of Allotment**

Allotment will be made in consultation with SME Platform of BSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
- b) The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- c) For applications where the proportionate allotment works out to less than 4000 Equity Shares the allotment will be made as follows:
  - i. Each successful applicant shall be allotted 4000 Equity Shares;

- ii. The successful applicants out of the total applicants for that category shall be determined by the draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
- d) If the proportionate allotment to an applicant works out to a number that is not a multiple of 4000 Equity Shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 4000 Equity Shares subject to a minimum allotment of 4000 Equity Shares.
- e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the lower nearest multiple of 4000 Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, upto 110% of the size of the offer specified under the Capital Structure mentioned in this Prospectus.
- f) The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for Retail Individual applicants as described below:
  - i. As per Regulation 43(4) of the SEBI (ICDR) Regulations, as the Retail Individual Investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
  - ii. Remaining to Individual applicants other than retail individual investors and Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
  - iii. The unsubscribed portion in either of the categories specified in (a) or (b) above may be available for allocation to the applicants in the other category, if so required.

'Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 2,00,000. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with SME Platform of BSE.

The Executive Director/ Managing Director of the SME Platform of BSE, Designated Stock Exchange in addition to Lead Merchant Banker and Registrar to the Public Offer shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2009.

## 7.2 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

- a) **Designated Date:** On the Designated Date, the SCSBs shall transfer the funds represented by allocation of Equity Shares into the Public Issue Account with the Bankers to the Issue.
- b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Applicants **are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.**

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.

- c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Applicants Depository Account will be completed within 5 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within 5 Working Days of the Issue Closing Date,

## **SECTION 8: INTEREST AND REFUNDS**

### **8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING**

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 Working Days of the Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 6 Working Days of the Issue Closing Date.

### **8.2 GROUNDS FOR UNBLOCKING OF FUNDS**

#### **8.2.1 Non Receipt of Listing Permission**

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Prospectus. The Designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalized.

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 initiate action to unblock the application amount from the Investors accounts. If such money is not repaid within the eight days 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 eight days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of Companies Act, and disclosed in the Prospectus.

#### **8.2.2 Minimum Subscription**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten.

As per Section 39 of 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 the Prospectus, the application money has to be returned within such period as may be prescribed. If our company does not receive the 100% subscription of the offer through the Offer Document including devolvement of underwriters , if any, within sixty (60) days from the date of closure of the issue, our company shall forthwith unblocked the entire application amount received. If there is a delay beyond eighty days after our company becomes liable to pay the amount, our company and every officer in default will, on and from the expiry of this period be jointly and severally liable to repay the money, with interest or other penalty as prescribed under SEBI Regulations, the Companies Act, 2013.

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 within 6working days of closure of the issue.

Further in accordance with Regulation 106(Q) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than Rs.100000/- (Rupees One Lakh) per application.

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 without the applicable laws of such jurisdiction.

#### **8.2.3 MINIMUM NUMBER OF ALLOTTEES**

The Issuer may ensure that the number of prospective allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be unblocked forthwith.

### **8.3 Mode of Unblocking of Funds**

Within 6 Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application and also for any excess amount blocked on Application.



### 8.3.1 Mode of making refunds for Applicants

The Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA applications or in the event of withdrawal or failure of the Issue.

### 8.4 Interest In Case Of Delay in Allotment

The Issuer may pay interest at the rate of 15% per annum if demat credits are not made to Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the 6 Working days of the Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 6 working days from the Issue Closing Date, if Allotment is not made.

## SECTION 9: GLOSSARY AND ABBREVIATIONS

*Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.*

Term	Description
Allotment/ Allot/ Allotted	The allotment of Equity Shares pursuant to the Issue to successful Applicants
Allottee	An Applicant to whom the Equity Shares are Allotted
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Application Form	The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue
Application Supported by Blocked Amount/ (ASBA)/ASBA	An application, whether physical or electronic, used by Applicants to make a Application authorizing an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Application Amount of the ASBA Applicant
ASBA Application	An Application made by an ASBA Applicant
Applicant	Prospective Applicants in the Issue who apply through ASBA
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Applicants under the Issue
Bid	An indication to make an offer during the Issue Period by a prospective Applicant pursuant to submission of Application Form or during the Anchor Investor Issue Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications thereto.
Issue Closing Date	The date after which the SCSBs may not accept any application 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. Applicants may refer to the Prospectus for the Issue Closing Date
Issue Opening Date	The date on which the SCSBs may start accepting application for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants may refer to the Prospectus for the Issue Opening Date

Term	Description
Issue Period	Except in the case of Anchor Investors (if applicable), the period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants (other than Anchor Investors) can submit their Application, inclusive of any revisions thereof. The Issuer may consider closing the Issue Period for QIBs one working day prior to the Issue Closing Date in accordance with the SEBI ICDR Regulations, 2009. Applicants may refer to the Prospectus for the Issue Period
Application Amount	The value indicated in the Application Form and payable by the Applicant upon submission of the Application (except for Anchor Investors), less discounts (if Applicable).
Application Form	The form in terms of which the Applicant should make an offer to subscribe for or purchase the Equity Shares and which may be considered as the application for Allotment for the purposes of the Prospectus, whether applying through the ASBA or otherwise.
Applicant	Any prospective investor (including an ASBA Applicant) who makes a Application pursuant to the terms of the Prospectus and the Application Form. In case of issues undertaken through the fixed price process, all references to a Applicant should be construed to mean an Applicant
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Applicants under the Issue
Bid	An indication to make an offer during the Issue Period by a prospective Applicant pursuant to submission of Application Form or during the Anchor Investor Issue Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications thereto.
Issue Closing Date	The date after which the SCSBs may not accept any application 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. Applicants may refer to the Prospectus for the Issue Closing Date
Issue Opening Date	The date on which the SCSBs may start accepting application for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants may refer to the Prospectus for the Issue Opening Date
Issue Period	Except in the case of Anchor Investors (if applicable), the period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants (other than Anchor Investors) can submit their Application, inclusive of any revisions thereof. The Issuer may consider closing the Issue Period for QIBs one working day prior to the Issue Closing Date in accordance with the SEBI ICDR Regulations, 2009. Applicants may refer to the Prospectus for the Issue Period
Application Amount	The value indicated in the Application Form and payable by the Applicant upon submission of the Application (except for Anchor Investors), less discounts (if applicable).
Application Form	The form in terms of which the Applicant should make an offer to subscribe for or purchase the Equity Shares and which may be considered as the application for Allotment for the purposes of the Prospectus, whether applying through the ASBA or otherwise.
Book Built Process/ Book Building Process/ Book Building Method	The book building process as provided under SEBI ICDR Regulations, 2009,

Term	Description
Broker Centres	Broker centres notified by the Stock Exchanges, where Applicants can submit the 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.
Lead Manager/ LM	The Lead Manager to the Issue as disclosed in the Prospectus and the Application Form of the Issuer.
Business Day	Monday to Friday (except public holidays)
CAN/Confirmation of Allotment Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Applicants including the Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Application Forms used by the ASBA Applicants applying through the ASBA and a list of which is available on <a href="http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries">http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries</a> .
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 available on the websites of the Stock Exchange i.e. <a href="http://www.bseindia.com">www.bseindia.com</a>
Designated RTA Locations	Such locations of the RTAs where Applicant can submit the Application Forms to RTAs.  The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.bseindia.com">www.bseindia.com</a>
Designated Date	The date on or after which funds are transferred by the SCSBs to the Public Issue Account of the Issuer.
Designated Stock Exchange	The designated stock exchange as disclosed in the Prospectus of the Issuer
Designated Intermediaries /Collecting Agent	Syndicate Members, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and RTAs, who are authorized to collect Application Forms from the Applicants, in relation to the Issue
Discount	Discount to the Issue Price that may be provided to Applicants in accordance with the SEBI ICDR Regulations, 2009.
Draft Prospectus	This Draft Prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price
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 Applicant may refer to the Prospectus
Equity Shares	Equity shares of the Issuer
FCNR Account	Foreign Currency Non-Resident Account
First Applicant	The Applicant whose name appears first in the Application Form or Revision Form

Term	Description
FII(s)	Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
Fixed Price Issue/Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issue	Public Issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Issuer/ Company	The Issuer proposing the initial public offering/further public offering as applicable
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Prospectus. The Issue Price may be decided by the Issuer in consultation with the Book Running Lead Manager(s)
Maximum RII Allottees	The maximum number of RIIs who can be allotted the minimum Application Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum 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, 1996
NECS	National Electronic Clearing Service
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 reservation portion
Non-Institutional Investors or NIIs	All Applicants, including sub accounts of FIIs registered with SEBI which 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 Rs. 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 Prospectus and the Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FIIs, FPIs and FVCIs
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Offer for Sale	Public offer of such number of Equity Shares as disclosed in the Prospectus through an offer for sale by the Selling Shareholder
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
PAN	Permanent Account Number allotted under the Income Tax Act, 1961

Term	Description
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 opened with the Banker to the Issue to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date
QIB Category	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under SEBI ICDR Regulations, 2009
RTA	Registrar to the Issue and Share Transfer Agent
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 Prospectus and Application Form
Reserved Category/ Categories	Categories of persons eligible for making application/bidding under reservation portion
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI ICDR Regulations, 2009
Retail Individual Investors / RIIs	Investors who applies or bids for a value of not more than Rs. 200,000.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than Rs. 200,000.
Retail Category	The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum bid lot, subject to availability in RII category and the remaining shares to be allotted on proportionate basis.
Revision Form	The form used by the Applicant in an issue through Book Building process to modify the quantity of Equity Shares and/or bid price indicates therein in any of their Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on <a href="http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html">http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html</a>
Specified Locations	Refer to definition of Broker Centers
Stock Exchanges/ SE	The stock exchanges as disclosed in the Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Syndicate	The Book Running Lead Manager(s) and the Syndicate Member
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of the Bids in this Issue (excluding Application from ASBA Applicants)
Syndicate Member(s)/SM	The Syndicate Member(s) as disclosed in the Prospectus
Underwriters	The Lead Manager(s)
Underwriting Agreement	The agreement dated entered into between the Underwriters and our company.
Working Day	Any day, other than 2nd and 4th Saturday of the month, Sundays or public holidays, on which commercial banks in India are open for business, provided however, with reference to announcement Issue Period, "Working Days" shall mean all days, excluding Saturdays, Sundays and public holidays, which are working days for commercial banks in India.

## **RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Foreign investment is allowed up to 100% under automatic route in our Company.

India's current Foreign Direct Investment ("FDI") Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GOI ("DIPP") by Consolidated FDI Policy Circular of 2016 with effect from June 07, 2016 ("Consolidated FDI Policy") consolidates and subsumes all previous press notes, press releases and clarifications on FDI issued by the DIPP. The Government usually updates the consolidated circular on FDI Policy once every Year and therefore, Consolidated FDI Policy Circular of 2016 will be valid until the DIPP issues an updated circular.

### **Subscription by foreign investors (NRIs/FPIs)**

FPIs are permitted to subscribe to Equity 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. , SEBI registered FPIs have been permitted to purchase shares of an Indian company through offer, subject to total FPI investment being within the individual FPI/sub account investment limit of 10 per cent subject to the total sectoral cap of all FPIs/sub-accounts put together being 24 per cent of the paid-up capital of the Indian company.

The transfer of shares between an Indian resident and a Non-resident does not require prior approval of FIPB or RBI, subject to fulfillment of certain conditions as specified by DIPP / RBI, from time to time. Such conditions include (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. Investors are advised to refer to the exact text of the relevant statutory provisions of law before investing and / or subsequent purchase or sale transaction in the Equity Shares of Our Company.

### **Representation from the Applicants**

No person shall make an Application in the Issue, unless such person is eligible to acquire Equity Shares of our Company in accordance with applicable laws, rules, regulations, guidelines and approvals.

Investors that make Application under the Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters, and their respective directors, officers, agents, affiliates and representatives, as applicable, 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, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

There is no reservation for Non Residents, NRIs, FPIs, foreign venture capital funds, multi-lateral and bilateral development financial institutions and any other foreign investor. All Non Residents, NRIs, FPIs and foreign venture capital funds, multi-lateral and bilateral development financial institutions and any other foreign investor applicants will be treated on the same basis with other categories for the purpose of allocation.

As per the existing policy of the Government of India, OCBs also cannot participate in any Public Issue.

The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S promulgated 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 are only being offered and sold outside the United States to certain persons in offshore transactions in compliance with Regulation S under the Securities Act.

Our Company and LM are not making any selling efforts in any jurisdiction outside India.

However 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 Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.***

### SECTION VIII - MAIN PROVISIONS OF ARTICLES OF ASSOCIATION OF OUR COMPANY

Pursuant to Schedule I of the Companies Act, 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. <b>“The Act”</b> means the Companies Act, 2013 and the applicable provisions of the Companies Act, 1956 and includes any statutory modification or re-enactment thereof for the time being in force.	<b>The Act</b>
	ii. <b>“Articles”</b> means Articles of Association of the Company as originally framed or altered from time to time	<b>Articles</b>
	iii. <b>“Beneficial Owner”</b> shall have the meaning assigned thereto by Section 2(1) (a) of the Depositories Act, 1996.	<b>Beneficial Owner</b>
	iv. <b>“Board or Board of Director”</b> means the Collective body of the Board of Directors of the Company.	<b>Board or Board of Directors</b>
	v. <b>“Chairman”</b> means the Chairman of the Board of the Directors of the Company.	<b>Chairman</b>
	vi. <b>“The Company”</b> means RMC Switch Gears Limited	<b>The Company</b>
	vii. <b>“Depositories Act, 1996”</b> shall mean Depositories Act, 1996 and include any Statutory modification or re-enactment thereof for the time being in force.	<b>Depositories Act,1996</b>
	viii. <b>“Depository”</b> shall have the meaning assigned thereto by Section 2 (1) (e) of the Depositories Act, 1996.	<b>Depository</b>
	ix. <b>“Directors”</b> means the Directors appointed to the board for the time being of the Company.	<b>Directors</b>
	x. <b>“Dividend”</b> includes any interim dividend	<b>Dividend</b>
	xi. <b>“Document”</b> means a document as defined in Section 2 (36) of the Companies Act, 2013.	<b>Document</b>
	xii. <b>“Equity Share Capital”</b> , with reference to any Company limited by shares, means all share capital which is not preference share capital	<b>Equity Share Capital</b>
	xiii. <b>“KMP”</b> means Key Managerial Personnel of the Company provided as per the relevant sections of the Act.	<b>KMP</b>
	xiv. <b>“Managing Director”</b> 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.	<b>Managing Director</b>
	xv. <b>“Month”</b> means Calendar month	<b>Month</b>
	xvi. <b>“Office”</b> means the registered office for the time being of the Company.	<b>Office</b>
	xvii. <b>“Paid-up share capital”</b> 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	<b>Paid-up share Capital</b>
	xviii. <b>“Postal Ballot”</b> means voting by post or through any electronic mode	<b>Postal Ballot</b>
	xix. <b>“Proxy”</b> includes attorney duly constituted under the power of attorney to vote for a member at a General Meeting of the Company on poll.	<b>Proxy</b>
	xx. <b>“Public Holiday”</b> means a Public Holiday within the meaning of the	<b>Public Holiday</b>



	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 notified before the issue of the notice convening such meeting.	
	xxi. “ <b>Registrar</b> ” 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.	<b>Registrar</b>
	xxii. “ <b>Rules</b> ” means the applicable rules as prescribed under the relevant sections of the Act for time being in force	<b>Rules</b>
	xxiii. “ <b>SEBI</b> ” means Securities & Exchange Board of India established under Section 3 of the Securities & Exchange Board of India Act, 1992.	<b>SEBI</b>
	xxiv. “ <b>Securities</b> ” means the securities as defined in clause (h) of Section 2 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956)	<b>Securities</b>
	xxv. “ <b>Share</b> ” means share in the Share Capital of the Company and includes stock except where a distinction between stock and share is expressed or implied.	<b>Share</b>
	xxvi. “ <b>Seal</b> ” means the common seal of the Company.	<b>Seal</b>
	xxvii. “ <b>Preference Share Capital</b> ”, 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 (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;	<b>Preference Share Capital</b>
	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.	
2.	The Authorized Share Capital of the Company shall be such amount and be divided into such shares as may from time to time be provided in Clause V of the Memorandum of Association with power to increase or reduce the capital and divide the shares in the capital of the Company (including Preferential Share Capital, if any) and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions as may be determined in accordance with these presents and to modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be permitted by the said Act.	<b>Share Capital</b>
3.	Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit. Further provided that the option or right to call of shares shall not be given to any person except with the sanction of the Company in general meeting.	
4.	Subject to provisions of Section 54 of the Act read with Companies (Share Capital and Debentures) Rules, 2014, and any other applicable provisions of the	<b>Issue of Sweat Equity Shares</b>

	Act or any law for the time being in force, the Company may issue Sweat Equity Shares on such terms and in such manner as the Board may determine.	
5.	The Company shall have powers to issue any debentures, debenture-stock or other securities at Par, discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending the General Meetings (but not voting on any business to be conducted), appointment of Directors on Board and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the company in the General Meeting by a Special Resolution.	<b>Issue of Debentures</b>
6.	<p>i. Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for registration of transfer of transmission or within such other period as the conditions of issue shall be provided,—</p> <p>a. one certificate for all his shares without payment of any charges; or</p> <p>b. several certificates, each for one or more of his shares, upon payment of Rupees twenty for each certificate after the first</p> <p>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;</p> <p>iii. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.</p> <p>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.</p>	<b>Issue of Share Certificates Issue of Share Certificates</b>
7.	If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of 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 style="list-style-type: none"> <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 of fully or partly paid shares or partly in the one way and partly in the other.</li> </ul>	<b>Power to pay Commission in connection with the Securities issued</b>
11.	<ul style="list-style-type: none"> <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> </ul>	<b>Variations of Shareholder's rights</b>
12.	The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking <i>pari passu</i> therewith.	
13.	Subject to the provisions of section 55 and 62, any preference shares may with the sanction of ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the Company before the issue of the shares may, by special resolution, determine	<b>Issue of Preference Shares</b>
14.	<p>(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:</p> <ul style="list-style-type: none"> <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> </ul> <p>(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.</p> <p>(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:</p>	<b>Further Issue of shares</b>

	<p>Provided that the terms of issue of such debentures or loan containing such an option have been approved, before the issue of such debentures or the raising of loan, by a special resolution passed by the company in general meeting.</p>	
15.	<p>i. The Company shall have a first and paramount lien—</p> <ol style="list-style-type: none"> <li>on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and or</li> <li>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>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 fixed time in respect of such shares; and</li> </ol> <p>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.</p> <p>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.</p>	
16.	<p>The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:</p> <p>Provided that no sale shall be made—</p> <ol style="list-style-type: none"> <li>unless a sum in respect of which the lien exists is presently payable; or</li> <li>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.</li> </ol>	<b>Lien</b>
17.	<ol style="list-style-type: none"> <li>To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.</li> <li>The purchaser shall be registered as the holder of the shares comprised in any such transfer.</li> <li>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.</li> </ol>	
18.	<ol style="list-style-type: none"> <li>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.</li> <li>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.</li> </ol>	
19.	<p>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:-</p> <ol style="list-style-type: none"> <li>The Company shall at its discretion, be entitled to decline to register more than three persons as the joint-holders of any share.</li> <li>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.</li> <li>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</li> </ol>	<b>Joint Holdings</b>

	<p>the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.</p> <p>d) Any one of such joint-holders may give effectual receipts of any dividends or other moneys payable in respect of such share.</p> <p>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.</p> <p>f)</p> <p>(i) Any one of the two or more joint-holders may vote at General Meeting either personally or by attorney or by proxy in respect of such shares as if they were solely entitled hereto and if more than one such joint-holders be present at any meeting personally or by proxy or by attorney then one of such joint holders so present whose name stand first in the Register in respect of such shares shall alone be entitled to vote in respect thereof but the other or others of the joint-holders shall be entitled to vote in preference to a joint-holder present by attorney or by proxy although the name of such joint-holder present by attorney or by proxy stands first in Register in respect of such shares.</p> <p>(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.</p> <p>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.</p>	
20.	<p>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:</p> <p>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.</p> <p>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.</p> <p>iii. A call may be revoked or postponed at the discretion of the Board.</p>	<b>Calls on shares</b>
21.	A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.	
22.	The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.	
23.	<p>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.</p> <p>ii. The Board shall be at liberty to waive payment of any such interest wholly or in part.</p>	
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	

	<p>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.</p> <p>ii. In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture</p> <p>iii. or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.</p>	
25.	<p>The Board—</p> <p>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</p> <p>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.</p>	
26.	<p>Any uncalled amount paid in advance shall not in any manner entitle the member so advancing the amount, to any dividend or participation in profit or voting right on such amount remaining to be called, until such amount has been duly called-up.</p> <p>Provided however that any amount paid to the extent called – up, shall be entitled to proportionate dividend and voting right.</p>	
27.	<p>The Board may at its discretion, extend the time fixed for the payment of any call in respect of any one or more members as the Board may deem appropriate in any circumstances.</p>	
28.	<p>The provisions of these Articles relating to call on shares shall mutatis mutandis apply to any other securities including debentures of the company.</p>	
29.	<p>i. The shares or other interest of any member in the Company shall be a movable property, transferable in the manner provided by the Articles.</p> <p>ii. Each share in the Company shall be distinguished by its appropriate number.</p> <p>iii. A Certificate under the Common Seal of the Company, specifying any shares held by any member shall be prima facie evidence of the title of the member of such shares.</p>	<b>Transfer of shares</b>
30.	<p>i. The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee.</p> <p>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.</p>	
31.	<p>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-</p> <p>i. the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or</p> <p>ii. any transfer of shares on which the Company has a lien.</p> <p>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.</p>	
32.	<p>The Board shall decline to recognise any instrument of transfer unless—</p>	

	<p>i. the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;</p> <p>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.</p> <p>Provided that, transfer of shares in whatever lot shall not be refused.</p> <p>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),</p> <p>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;</p> <p>v. If the objection from the transferor with supporting documents is not received within the stipulated period, the Company shall transfer the securities provided the Company does not suspect fraud or forgery in the matter.</p>	
33.	The Company agrees that in respect of transfer of shares where the Company has not affected transfer of shares within 1 month or where the Company has failed to communicate to the transferee any valid objection to the transfer within the stipulated time period of 1 month, the Company shall compensate the aggrieved party for the opportunity losses caused during the period of the delay.	
34.	<p>On giving not less than seven days' previous notice in accordance with section 91 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.</p> <p>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.</p>	
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 shall be fairly and distinctly entered the particulars of every transfer or transmission of any shares.	<b>Register of Transfers</b>
37.	<p>i. The provisions of this Article shall apply notwithstanding anything to the contrary contained in any other Article of these Articles.</p> <p>a. The Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the Depository Act, 1996.</p> <p>b. Option for Investors:</p> <p>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.</p> <p>If a person opts to hold its Security with a Depository, the Company shall</p>	<b>Dematerialisation of Securities</b>

	<p>intimate such depository the details of allotment of the Security</p> <p>c. Securities in Depository to be in fungible form:-</p> <ul style="list-style-type: none"> <li>• All Securities of the Company held by the Depository shall be dematerialised and be in fungible form.</li> <li>• Nothing contained in Sections 88, 89, 112 &amp; 186 of the Companies Act, 2013 shall apply to a Depository in respect of the Securities of the Company held by it on behalf of the beneficial owners.</li> </ul> <p>d. Rights of Depositories &amp; 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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>vii. The Register and Index of beneficial owners maintained by a depository under Section 11 of the Depositories Act, 1996, shall be deemed to be the Register and Index of Members for the purpose of this Act. The Company shall have the power to keep in any state or country outside India, a Register of Members for the residents in that state or Country.</p>	
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	<b>Transmission of shares</b>



	<p>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.</p> <p>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.</p>	
39.	<p>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—</p> <p>a. to be registered himself as holder of the share; or</p> <p>b. to make such transfer of the share as the deceased or insolvent member could have made.</p> <p>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.</p>	
40.	<p>i. If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.</p> <p>ii. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.</p> <p>iii. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.</p>	
41.	<p>A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:</p> <p>Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.</p>	
42.	<p>The provisions of these Articles relating to transmission of shares shall mutatis mutandis apply to any other securities including debentures of the Company.</p> <p>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.</p>	
43.	<p>If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.</p>	<b>Forfeiture of shares</b>
44.	<p>The notice aforesaid shall—</p> <p>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</p> <p>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.</p>	

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.	<ul style="list-style-type: none"> <li>i. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.</li> <li>ii. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.</li> </ul>	
47.	<ul style="list-style-type: none"> <li>i. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.</li> <li>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.</li> </ul>	
48.	<ul style="list-style-type: none"> <li>i. A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;</li> <li>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;</li> <li>iii. The transferee shall thereupon be registered as the holder of the share; and</li> <li>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.</li> </ul>	
49.	The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share	
50.	Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.	
51.	Upon any sale, re-allotment or other disposal under the provisions of the preceding articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.	
52.	The Board may, subject to the provision of the Act, accept a surrender of any share from or by any member desirous of surrendering them on such terms as they think fit.	
53.	The Provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.	
54.	The provisions of these articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures of the Company.	
55.	Neither a judgment in favour of the Company for calls or other moneys due in	<b>Initial</b>

	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.	<b>payment not to preclude forfeiture</b>
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.	<b>Alteration of capital</b>
57.	Subject to the provisions of section 61, the Company may, by ordinary resolution,— <ul style="list-style-type: none"> <li>i. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;</li> <li>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;</li> <li>iii. sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;</li> <li>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.</li> </ul>	
58.	Where shares are converted into stock,— <ul style="list-style-type: none"> <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: 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>	<b>Conversion of Shares into Stock</b>
59.	The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,— <ul style="list-style-type: none"> <li>i. its share capital;</li> <li>ii. any capital redemption reserve account; or</li> <li>iii. Any share premium account.</li> </ul>	<b>Reduction of Capital</b>
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	<b>Share Warrants</b>

	<p>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.</p> <p>Not more than one person shall be recognized as depositor of the share warrant.</p> <p>The Company shall, on two days written notice, return the deposited share warrants to the depositor.</p> <p>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.</p> <p>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.</p> <p>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.</p>	
61.	<p>i. The Company in general meeting may, upon the recommendation of the Board, resolve—</p> <ol style="list-style-type: none"> <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> </ol> <p>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—</p> <ol style="list-style-type: none"> <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> </ol>	<b>Capitalisation of profits</b>
62.	<p>i. Whenever such a resolution as aforesaid shall have been passed, the Board shall—</p> <ol style="list-style-type: none"> <li>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</li> <li>b. generally to do all acts and things required to give effect thereto.</li> </ol> <p>ii. The Board shall have power—</p>	

	<p>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</p> <p>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;</p> <p>iii. Any agreement made under such authority shall be effective and binding on such members.</p>	
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 the time being in force, the Company may purchase its own shares or other specified securities.	<b>Buy-back of shares</b>
64.	All General Meetings other than annual general meeting shall be called extraordinary general meetings.	
65.	<p>i. The Board may, whenever it thinks fit, call an extraordinary general meeting.</p> <p>ii. The General meeting including Annual general meeting shall be convened by giving notice of clear 21 days in advance as per section 101 of Companies Act 2013. The directors if they think fit may convene a General Meeting including Annual General Meeting of the company by giving a notice thereof being not less than three days if consent is given in writing or by electronic mode by not less than ninety-five per cent. of the members entitled to vote at such meeting.</p> <p>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.</p>	<b>General Meeting</b>
66.	<p>i. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.</p> <p>ii.</p> <p>i. Unless the number of members as on date of meeting are not more than one thousand, five members personally present shall be the quorum for a general meeting of the Company.</p> <p>ii. In any other case, the quorum shall be decided as under:</p> <p>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;</p> <p>b) thirty members personally present if the number of members as on the date of the meeting exceeds five thousand;</p>	<b>Proceedings at general meetings</b>
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.	<p>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.</p> <p>ii. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.</p>	<b>Demand for poll</b>
73.	<p>i. A poll demanded on a question of adjournment shall be taken forthwith.</p> <p>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.</p>	<b>Time of taking poll</b>
74.	<p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p>	<b>Adjournment of meeting</b>
75.	Subject to any rights or restrictions for the time being attached to any class or classes of shares,— <p>i. on a show of hands, every member present in person shall have one vote; and</p> <p>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.</p>	
76.	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.	<b>Voting rights</b>
77.	<p>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.</p> <p>ii. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.</p>	
78.	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.	

79.	Subject to the provisions of the Act and other provisions of these Articles, any 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 with, pending the taking of the poll.	
81.	No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.	
82.	<p>i. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.</p> <p>ii. Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive</p>	
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 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.	<b>Casting Vote</b>
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 accordance with the provisions of Section 113 of the Companies Act, 2013 authorise such person by a resolution of its Board of Directors as it thinks fit, to act as its representative at any meeting of the Company or of any class of members of the Company or at any meeting of creditors of the Company.	<b>Representation of Body Corporate</b>
86.	The Company shall comply with provisions of Section 111 of the Companies Act, 2013, relating to circulation of member's resolution.	<b>Circulation of member's resolution</b>
87.	The Company shall comply with provisions of Section 115 of the Act relating to resolution requiring special notice.	<b>Resolution requiring special notice</b>
88.	The provisions of Section 116 of Companies Act, 2013 shall apply to resolutions 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 shall be deemed for all purposes as having been passed on the date on which in fact they were passed and shall not be deemed to have been passed on any earlier date.	<b>Resolutions passed at adjourned meeting</b>
89.	The Company shall comply with the provisions of Section 117 and 179 of the Companies Act, 2013 relating to registration of certain resolutions and agreements.	<b>Registration of resolutions and agreements</b>
90.	<p>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.</p> <p>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 :</p>	<b>Minutes of proceedings of general meeting and of Board and other meetings</b>

	<p>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.</p> <p>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.</p> <p>C. In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.</p> <p>D. The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.</p> <p>E. All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.</p> <p>F. In the case of a meeting of the Board of Directors or of a Committee of the Board, the minutes shall also contain:</p> <p>a. the names of the Directors present at the meetings, and</p> <p>b. in the case of each resolution passed at the meeting, the names of the Directors, if any dissenting from or not concurring in the resolution.</p> <p>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:</p> <p>a. is or could reasonably be regarded, as defamatory of any person</p> <p>b. is irrelevant or immaterial to the proceedings; or</p> <p>c. is detrimental to the interests of the Company.</p> <p>iv. The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this clause.</p>	
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.	<b>Minutes to be considered to be evidence</b>
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.	<b>Publication of reports of proceeding of general meetings</b>
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.	<b>Proxy</b>
94.	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	
95.	A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given: Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.	



96.	The first directors of the Company shall be: <ol style="list-style-type: none"> <li>1. Shri Ashok Kumar Agrawal</li> <li>2. Shri Vandeeep Kumar</li> <li>3. Shri Vitthal Das Agrawal</li> </ol>	<b>Board of Directors</b>
97.	The Directors need not hold any “Qualification Share(s)”.	
98.	<p>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:</p> <p>He shall 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.</p> <p>Nothing contained in this Article shall be deemed to restrict or prevent the right of 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.</p>	
99.	<ol style="list-style-type: none"> <li>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.</li> <li>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— <ol style="list-style-type: none"> <li>a. in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or</li> <li>b. in connection with the business of the company</li> </ol> </li> </ol>	
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.	<ol style="list-style-type: none"> <li>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.</li> <li>ii. Such person shall hold office only up to the date of the next annual general</li> </ol>	

	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 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.	<b>Retirement and Rotation of Directors</b>
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 three, the number nearest to one-third shall retire from office.	
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 who have been longest in the office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot. 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 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 his or their places.	<b>Nominee Director</b>
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.	<p>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.</p> <p>Provided that if any such Nominee Directors is an Officer of the Financial Institution, the sitting fees in relation to such Nominee Directors shall also accrue to the Financial Institution as the case may be and the same shall accordingly be paid by the Company directly to the Corporation.</p>	
115.	<p>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.</p>	
116.	<p>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.</p>	<p><b>Removal of Directors</b></p>
117.	<p>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.</p>	
118.	<p>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.</p>	
119.	<p>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-,</p> <ul style="list-style-type: none"> <li>(a) in any notice of the resolution given to members of the Company state the fact of the representations having been made, and</li> <li>(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:</li> </ul> <p>Provided that copy of the representation need not be sent out and the representation need not be read out at the meeting if, on the application either of the company or of any other person who claims to be aggrieved, the Tribunal is satisfied that the rights conferred by this sub-section are being abused to secure needless publicity for defamatory matter; and the Tribunal may order the company's costs on the application to be paid in whole or in part by the director notwithstanding that he is not a party to it.</p>	
120.	<p>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</p>	

	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 contract or terms of his appointment as director, or of any other appointment terminating with that as director; or b) as derogating from any power to remove a director under other provisions of this Act.	
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 b. In connection with the business of the Company.	<b>Remuneration and sitting fees to Directors including Managing and whole time Directors</b>
125.	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 Lac) 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.	
126.	i. 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.  a. The power to make calls on shareholders in respect of money unpaid on their shares; b. The Power to authorize buy-back of securities under Section 68 of the Act. c. Power to issue securities, including debenture, whether in or outside 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	<b>Powers and duties of Directors:</b>  <b>Certain powers to be exercised by the Board only at meeting.</b>

	<p>respect of loans</p> <ul style="list-style-type: none"> <li>g. Power to approve financial statements and the Board’s Report</li> <li>h. Power to diversify the business of the Company</li> <li>i. Power to approve amalgamation, merger or reconstruction</li> <li>j. Power to take over a Company or acquire a controlling or substantial stake in another Company</li> <li>k. Powers to make political contributions;</li> <li>l. Powers to appoint or remove key managerial personnel (KMP);</li> <li>m. Powers to take note of appointment(s) or removal(s) of one level below the Key Management Personnel;</li> <li>n. Powers to appoint internal auditors and secretarial auditor;</li> <li>o. Powers to take note of the disclosure of director’s interest and shareholding;</li> <li>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;</li> <li>q. Powers to invite or accept or renew public deposits and related matters;</li> <li>r. Powers to review or change the terms and conditions of public deposit;</li> <li>s. Powers to approve quarterly, half yearly and annual financial statements or financial results as the case may be.</li> </ul> <p>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.</p> <ul style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>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.</li> <li>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.</li> </ul>	
<p>127.</p>	<ul style="list-style-type: none"> <li>i. The Board of Directors of the Company shall not except with the consent of the Company in general meeting : <ul style="list-style-type: none"> <li>a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole or substantially the whole of any such undertaking;</li> <li>b) remit, or give time for the repayment of any debt, due by a Director;</li> <li>c) invest, otherwise than in trust securities, the amount of</li> </ul> </li> </ul>	<p><b>Restriction on powers of Board</b></p>

	<p>compensation received by it as a result of any merger or amalgamation;</p> <p>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</p> <p>e) contribute to <i>bona fide</i> charitable and other funds, aggregate of which in any financial year, exceed five percent of its average net profits during the three financial years, immediately proceedings.</p> <p>ii. Nothing contained in sub-clause (a) above shall affect:</p> <p>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</p> <p>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.</p> <p>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.</p> <p>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.</p>	
128.	Due regard and compliance shall be observed in regard to matters dealt with by or in 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 Meeting, but subject nevertheless to the provisions of the Act and other Act 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.	<b>General powers of the Company vested in Directors</b>
130.	Without prejudice to the general powers conferred by Article above and the other 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:	<b>Specific powers given to Directors</b>
	<p>i. to pay and charge to the capital account of the Company and interest</p>	

	<p>lawfully payable thereon under the provisions of Sections 76 corresponding to Section 40 of the Companies Act, 2013;</p> <ul style="list-style-type: none"> <li>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;</li> <li>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;</li> <li>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;</li> <li>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;</li> <li>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;</li> <li>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;</li> <li>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;</li> <li>ix. To secure the fulfilment of any contracts or engagements entered into</li> </ul>	
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	<p>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;</p> <p>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;</p> <p>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;</p> <p>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;</p> <p>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;</p> <p>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.</p> <p>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.</p> <p>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;</p> <p>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</p>	
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	<p>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;</p> <p>xviii. To decide and allocate the expenditure on capital and revenue account either for the year or period or spread over the years.</p> <p>xix. To appoint and at their discretion to remove or suspend such Managers, Secretaries, Officers, Clerks, Agents and servants for permanent, temporary 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.</p> <p>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.</p> <p>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;</p>	
<p>131.</p>	<p>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-time Directors of the Company for a fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit, and the Board may by resolution vest in such Managing Director(s)/Whole-time</p>	<p><b>MANAGING DIRECTORS</b></p> <p><b>Power to appoint Managing or</b></p>

	<p>Director(s), such of the power hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods, and upon such condition and subject to such restriction as it may determine, the remuneration of such Directors may 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.</p> <p>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.</p> <p>c) Subject to the provisions of Sections 197 &amp; 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.</p>	<b>Whole-time Directors</b>
132.	<p>a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.</p> <p>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.</p>	<b>Proceedings of the Board</b>
133.	The quorum for meetings of Board/Committees shall be as provided in the Act or under the rules.	
134.	<p>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.</p> <p>b) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.</p>	
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 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, as may be prescribed by the Rules or permitted under law.	
137.	<p>a) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.</p> <p>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.</p>	
138.	<p>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.</p> <p>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.</p>	
139.	<p>a) A committee may elect a Chairperson of its meetings.</p> <p>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 Chairperson of the meeting.</p>	
140.	<p>a) A committee may meet and adjourn as it thinks fit.</p> <p>b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of</p>	

	votes, the Chairperson shall have a second or casting vote.	
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 think fit; and any chief executive officer, manager, Company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;  b) A director may be appointed as chief executive officer, manager, Company secretary or chief financial officer.	<b>Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer</b>
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.	a) The Board shall provide for the safe custody of the seal. b) The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.	<b>The Seal</b>
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, think fit.  b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.	<b>Dividends and Reserve</b>
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	

	<p>the amounts of the shares.</p> <p>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.</p> <p>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 share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.</p>	
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 otherwise in relation to the shares of the Company.	
151.	<p>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.</p> <p>b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</p>	
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 entitled to share therein in the manner mentioned in the Act.	
154.	<p>No dividend shall bear interest against the Company.</p> <p>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;</p>	
155.	<p>Where a dividend has been declared by a company but has not been paid or claimed within thirty days from the date of the declaration, 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.</p> <p>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.</p>	
156.	The Board may retain dividends payable upon shares in respect of which any person 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 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.	<p>a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members not being directors.</p> <p>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</p>	<b>Accounts</b>

	or authorised by the Board or by the Company in general meeting.	
159.	<p>Minutes Books of General Meetings</p> <p>a) The books containing the minutes of the proceedings of any general meeting of the Company shall;</p> <ol style="list-style-type: none"> <li>i. be kept at the registered office of the Company, and</li> <li>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.</li> </ol> <p>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.</p> <p>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 minutes referred to in Clause (a) above, on payment of Rs. 10/- (Ten Rupees only) for each page or part thereof.</p>	<b>Inspection of Statutory Documents of the Company</b>
160.	<p>a) The Company shall keep at its registered office a Register of charges and enter therein all charges and floating charges specifically affecting any property or assets of the Company or any of its undertakings giving in each case the details as prescribed under the provisions of the Act.</p> <p>b) The register of charges and instrument of charges, as per clause (i) above, shall be open for inspection during business hours—</p> <ol style="list-style-type: none"> <li>a. by any member or creditor without any payment of fees; or</li> <li>b. by any other person on payment of such fees as may be prescribed,</li> </ol> <p>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.</p>	<b>Register of charges</b>
161.	<p>a) The first Auditor of the Company shall be appointed by the Board of Directors within 30 days from the date of registration of the Company and the Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting.</p> <p>b) Appointment of Auditors shall be governed by provisions of Companies Act 2013 and rules made there under.</p> <p>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 Meeting may determine. In case of an Auditor appointed by the Board his remuneration shall be fixed by the Board.</p> <p>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.</p>	<b>Audit</b>
162.	<p>Subject to the provisions of Chapter XX of the Act and rules made there under—</p> <ol style="list-style-type: none"> <li>i. If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.</li> <li>ii. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different</li> </ol>	<b>Winding up</b>

	<p>classes of members.</p> <p>iii. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or others securities whereon there is any liability.</p>	
163.	<p>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—</p>	<b>Indemnity</b>
164.	<p>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.</p> <p>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.</p>	<b>Secrecy</b>

**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 Prospectus) which are or may be deemed material have been entered or to be entered into by the Company. These contracts, copies of which have been attached to the copy of the Prospectus, delivered to the Registrar of Companies, Rajasthan, Jaipur for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered office of the Company from 11.00 a.m. to 5.00 p.m. on working days from the date of the Prospectus until the Issue Closing Date.

**Material Contracts**

1. Memorandum of Understanding dated September 12, 2016 between our Company, Selling Shareholders and Hem Securities Limited as Lead Manager (LM) to the Issue.
2. Memorandum of Understanding dated September 09, 2016 executed between our Company, Selling Shareholders and the Registrar to the Issue (Link Intime India Private Limited)
3. Market Making Agreement dated October 03, 2016 between our Company, the LM and Market Maker.
4. Banker to the Issue Agreement dated October 27, 2016 among our Company, Selling Shareholder, the LM, Banker to the Issue and the Registrar to the Issue.
5. Underwriting Agreement dated October 03, 2016 between our Company, Selling Shareholder, the LM and Underwriter.
6. Share Escrow Agreement dated November 09, 2016 between our Company, Selling Shareholder, the LM and Underwriter.
7. Tripartite Agreement dated September 06, 2016 among CDSL, the Company and the Registrar to the Issue.
8. Tripartite Agreement dated September 29, 2016 among NDSL, the Company and the Registrar to the Issue.

**Material Documents**

1. Certificate of Incorporation dated August 23, 1994 issued by the Registrar of Companies, Rajasthan, Jaipur. Fresh Certificate of Incorporation dated December 29, 2008 issued by the Registrar of Companies, Rajasthan, Jaipur, consequent upon Conversion of the Company to Public Company.
2. Fresh certificate of Incorporation dated March 30, 2009 issued by Registrar of Companies, Rajasthan, Jaipur pursuant to change in name from RFH Metal Castings Limited to RMC Switch Gears Limited.
3. Changes in object clause of Memorandum of Association vide certificate dated July 20, 2016 & dated July 22, 2016 issued by Registrar of Companies, Rajasthan, Jaipur.
4. Fresh certificate of Incorporation dated July 25, 2016 issued by Registrar of Companies, Rajasthan, Jaipur pursuant to change in name from RMC Switch Gears Limited to RMC Switchgears Limited.
5. Certified copies of the Memorandum and Articles of Association of the Company as amended.
6. Copy of the Board Resolution dated May 31, 2016 authorizing the Issue and other related matters.
7. Copy of the Shareholders' Resolutions dated June 08, 2016 authorizing the Issue and other related matters.
8. Copy of the Board Resolution dated August 10, 2016 authorizing the Offer and other related matters
9. Copies of the Authority letter/Board Resolution provided by the Selling Shareholders.
10. Copies of Audited Financial Statements of our Company for the period ended September 30, 2016 and years

ended March 31, 2016, 2015, 2014, 2013 & 2012.

11. Peer Review Auditors Report dated February 15, 2017 on Restated Financial Statements of our Company for the period ended September 30, 2016 and years ended March 31, 2016, 2015, 2014, 2013 & 2012.
12. Copy of the Statement of Tax Benefits dated June 29, 2016 from the Statutory Auditor.
13. Consents of the Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Market Maker, Underwriter, Bankers 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.
14. Copy of Certificate from the Peer Review Auditors of our Company, February 15, 2017 regarding the Eligibility of the Issue.
15. Board Resolution dated September 14, 2016 for approval of Draft Prospectus and dated February 20, 2017 for approval Prospectus.
16. Due Diligence Certificate from Lead Manager dated September 14, 2016 filed with BSE and dated February 20, 2017 filed with SEBI.
17. Approval from BSE vide letter dated November 04, 2016 to use the name of BSE in this Prospectus for listing of Equity Shares on the SME Platform of the BSE.



**DECLARATION**

I, the person mentioned herein below, as the Selling Shareholder, 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 Prospectus. No statement made in the Prospectus is contrary to the provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable 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. I further certify that all the statements made in the Prospectus are true and correct.

**SIGNED BY THE SELLING SHAREHOLDER:**

<b>Mr. Ankit Agrawal</b>	<b>Sd/-</b>
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**Place: - Jaipur**

**Date: February 20, 2017**

**DECLARATION**

I, the person mentioned herein below, as the Selling Shareholder, 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 Prospectus. No statement made in the Prospectus is contrary to the provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable 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. I further certify that all the statements made in the Prospectus are true and correct.

**SIGNED BY THE SELLING SHAREHOLDER:**

<b>Mr. Ashok Kumar Agarwal</b>	<b>Sd/-</b>
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**Place: - Jaipur**

**Date: February 20, 2017**

**DECLARATION**

I, the person mentioned herein below, as the Selling Shareholder, 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 Prospectus. No statement made in the Prospectus is contrary to the provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable 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. I further certify that all the statements made in the Prospectus are true and correct.

**SIGNED BY THE SELLING SHAREHOLDER:**

<b>Mrs. Santosh Agarwal</b>	<b>Sd/-</b>
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**Place: - Jaipur**

**Date: February 20, 2017**

**DECLARATION**

I, the person mentioned herein below, as the Selling Shareholder, 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 Prospectus. No statement made in the Prospectus is contrary to the provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable 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. I further certify that all the statements made in the Prospectus are true and correct.

**SIGNED BY THE SELLING SHAREHOLDER:**

<b>Mrs. Parwati Bai Agarwal</b>	<b>Sd/-</b>
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**Place: - Jaipur**

**Date: February 20, 2017**

**DECLARATION**

I, the person mentioned herein below (karta of M/s Ashok Kumar Agrawal HUF), as the Selling Shareholder, 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 Prospectus. No statement made in the Prospectus is contrary to the provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable 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. I further certify that all the statements made in the Prospectus are true and correct.

**SIGNED BY FOR M/S ASHOK KUMAR AGRAWAL HUF:**

<b>Mr. Ashok Kumar Agarwal</b>	<b>Sd/-</b>
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**Place: - Jaipur**

**Date: February 20, 2017**

**DECLARATION**

I, the person mentioned herein below (karta of M/s Vitthal Das Agarwal HUF), as the Selling Shareholder, 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 Prospectus. No statement made in the Prospectus is contrary to the provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable 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. I further certify that all the statements made in the Prospectus are true and correct.

**SIGNED BY FOR M/S VITTHAL DAS AGARWAL HUF:**

<b>Mr. Vitthal Das Agrawal</b>	<b>Sd/-</b>
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**Place: - Jaipur**

**Date: February 20, 2017**

**DECLARATION**

I, the person mentioned herein below, (as the Director of Argent Leasing and Finance Private Limited) as the Selling Shareholder, 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 Prospectus. No statement made in the Prospectus is contrary to the provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable 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. I further certify that all the statements made in the Prospectus are true and correct.

**SIGNED BY FOR ARGENT LEASING AND FINANCE PRIVATE LIMITED:**

<p><b>Mr. Shankar Lal Agarwal</b> <i>Director</i> <i>DIN:- 01341113</i></p>	<p>Sd/-</p>
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**Place: - New Delhi**

**Date: February 20, 2017**

**DECLARATION**

We, the 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 Prospectus. No statement made in the Prospectus is contrary to the provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable 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 Prospectus are true and correct.

**SIGNED BY THE DIRECTORS OF THE COMPANY:**

<p><b>Sd/-</b></p> <p><b>Mr. Ashok Kumar Agarwal</b> <i>Chairman &amp; Managing Director</i> DIN: 00793152</p>	<p><b>Sd/-</b></p> <p><b>Mr. Ankit Agrawal</b> <i>Whole-time Director</i> DIN: 00793035</p>
<p><b>Sd/-</b></p> <p><b>Mrs. Neha Agrawal</b> <i>Executive Director</i> DIN: 07540311</p>	<p><b>Sd/-</b></p> <p><b>Mr. Devi Shankar Goyal</b> <i>Non-Executive Independent Director</i> DIN: 07559565</p>
<p><b>Sd/-</b></p> <p><b>Mrs. Radhika Agarwal</b> <i>Non-Executive Independent Director</i> DIN: 07579658</p>	<p><b>Sd/-</b></p> <p><b>Mr. Suresh Kumar Jain</b> <i>Non-Executive Independent Director</i> DIN: 07546087</p>

**SIGNED BY -**

<p><b>Sd/-</b></p> <p><b>Mr. Shiv Charan Maheshwari</b> <i>Chief Financial Officer</i></p>	<p><b>Sd/-</b></p> <p><b>Ms. Priyanka Gattani</b> <i>Company Secretary and Compliance Officer</i></p>
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**Place: Jaipur**

**Date: February 20, 2017**