



RKEC PROJECTS LIMITED
(Formerly known as RKEC Projects Private Limited)
Corporate Identity Number: - U45200AP2005PLC045795

Our Company was originally incorporated on April 01, 2005 as "RKEC Projects Private Limited" vide Registration no. 045795 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Andhra Pradesh, Hyderabad. The Company after its incorporation takeover the running business of a proprietorship firm of our Promoter Mr. Radhakrishna Garapati with effect from April 01, 2006 "RK Engineers & Contractors". Further, 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 October 31, 2016 and the name of the our company was changed to "RKEC Projects Limited" vide a fresh Certificate of incorporation dated November 10, 2016, issued by the Registrar of Companies, Hyderabad having CIN U45200AP2005PLC045795. For further details please refer to chapter titled "History and Certain Corporate Matters" beginning on page 103 of this Draft Prospectus.

Registered Office: Door No. 10-12-1, Rednam Alcazar, 3rd Floor, Opp: SBI Main Branch, Old Jail Road, Rednam Gardens, Visakhapatnam, Andhra Pradesh -530020

Tel. No. +91-891-257-4517, **Fax No.** - +91-891-257-4703; **E-mail:** info@rkecprojects.com, **Website:** www.rkecprojects.com

CONTACT PERSON: MS. SWAPNA BANSODE, (COMPANY SECRETARY & COMPLIANCE OFFICER)

PROMOTER OF OUR COMPANY: MR. RADHAKRISHNA GARAPATI

THE ISSUE	
<p>INITIAL PUBLIC ISSUE OF 63,80,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH ("EQUITY SHARES") OF RKEC PROJECTS LIMITED ("COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF [●] PER EQUITY SHARE) ("ISSUE PRICE") AGGREGATING TO [●] LAKHS ("ISSUE") CONSISTING OF A FRESH ISSUE OF 46,80,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH ("EQUITY SHARES") FOR CASH AT A PRICE OF [●] PER EQUITY SHARE AGGREGATING TO [●] LAKHS ("ISSUE") AND 17,00,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH ("EQUITY SHARES") FOR CASH AT A PRICE OF [●] PER EQUITY SHARE AGGREGATING TO [●] LAKHS THROUGH AN OFFER FOR SALE BY MR. RADHAKRISHNA GARAPATI ("REFERRED AS SELLING SHAREHOLDER & PROMOTER") OF WHICH 3,20,000 EQUITY SHARES OF FACE VALUE OF ₹10.00 EACH FOR A CASH PRICE OF [●] PER EQUITY SHARE, AGGREGATING TO [●] 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 60,60,000 EQUITY SHARES OF FACE VALUE OF ₹ 10.00 EACH AT AN ISSUE PRICE OF [●] PER EQUITY SHARE AGGREGATING TO [●] LAKHS (IS HEREINAFTER REFERRED TO AS THE "NET ISSUE"). THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.59% and 25.26%, 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 201 OF THIS DRAFT PROSPECTUS.</p>	
<p align="center">THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10.00 EACH AND THE ISSUE PRICE IS [●]. THE ISSUE PRICE IS [●] TIMES OF THE FACE VALUE.</p>	
<p>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 RELATED INFORMATION" BEGINNING ON PAGE 201 OF THIS DRAFT PROSPECTUS.</p>	
<p>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 210 of this Draft Prospectus. A copy will be delivered for registration to the Registrar of Companies as required under Section 26 of the Companies Act, 2013.</p>	
<p align="center">ELIGIBLE INVESTORS</p>	
<p>For details in relation to Eligible Investors, please refer to section titled "Issue Procedure" beginning on page 210 of this Draft Prospectus.</p>	
<p align="center">RISK IN RELATION TO THE FIRST ISSUE</p>	
<p>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 [●] 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 69 of this Draft Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active 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.</p>	
<p align="center">GENERAL RISKS</p>	
<p>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 16 of this Draft Prospectus.</p>	
<p align="center">ISSUER'S & SELLING SHAREHOLDER ABSOLUTE RESPONSIBILITY</p>	
<p>Our Company & Selling Shareholder having made all reasonable inquiries, accepts responsibility for and confirms that this Draft 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 Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.</p>	
<p align="center">LISTING</p>	
<p>The Equity Shares offered through this Draft Prospectus are proposed to be listed on the SME Platform of National Stock Exchange of India Limited ("NSE" i.e. "NSE EMERGE"). However, our Company has received an approval letter dated [●] from NSE for using its name in this offer document for listing of our shares on the SME Platform of NSE. For the purpose of this Issue, the Designated Stock Exchange will be the National Stock Exchange of India Limited.</p>	
<p align="center">LEAD MANAGER TO THE ISSUE</p>	<p align="center">REGISTRAR TO THE ISSUE</p>
 <p>Hem Securities Ltd</p>	
<p>HEM SECURITIES LIMITED 14/15, Khatau Bldg, 1st Floor, 40, Bank Street, Fort, Mumbai - 400001, India Tel. No.: +91- 022- 4906 0000 Fax No.: +91- 022- 2262 5991 Website: www.hemsecurities.com Email: hb@hemsecurities.com Investor Grievance Email: redressal@hemsecurities.com Contact Person : Mr. Anil Bhargava SEBI Regn. No. INM000010981</p>	<p>BIGSHARE SERVICES PRIVATE LIMITED E-2, Ansa Industrial Estate, Sakhivihar Road, Sakinaka, Andheri (East), Mumbai-400 072, Maharashtra, India Tel No.:+91-22-40430200 Fax No.: +91-22-28475201 Email: ipo@bigshareonline.com Investor Grievance Email: investor@bigshareonline.com Website: www.bigshareonline.com Contact Person: Mr. Ashok Shetty SEBI Regn. No.: INR000001385</p>
<p align="center">ISSUE PROGRAMME</p>	
<p align="center">ISSUE OPENS ON: [●]</p>	<p align="center">ISSUE CLOSES ON: [●]</p>

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

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

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

Notwithstanding the foregoing, terms used in of the sections “Statement of Tax Benefits”, “Financial Information of the Company” and “Main Provisions of Articles of Association” on pages 72, 128 and 253 respectively, shall have the meaning ascribed to such terms in such sections.

Unless the context otherwise indicates, all references to “RKEC”, “the Company”, “our Company”, “the Issuer”, “we”, “us” and “our” are references to RKEC Projects Limited (Formerly known as RKEC Projects Private limited), a company incorporated in India under the Companies Act 1956 having its Registered office at Door No.10-12-1, Rednam Alcazar, 3rd Floor, Opposite SBI Main Branch, Old Jail Road, Rednam Gardens Visakhapatnam Andhra Pradesh-530020, India and “you”, “your” or “yours” refer to Prospective investors in this Issue.

Company related terms

Term	Description
AOA / Articles / Articles of Association	Articles of Association of RKEC Projects Limited (Formerly known as RKEC Projects Private limited), as amended from time to time.
Associate Companies	A body corporate in which any other company has a significant influence, but which is not a subsidiary of the company having such influence and includes a joint venture company.
Auditors/ Statutory Auditors	The Auditors of RKEC Projects Limited being M/s Rama Subba Rao & Co., Chartered Accountants.
Audit Committee	The Committee of the Board of Directors constituted as the Company’s Audit Committee in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
Bankers to the Company	Vijaya Bank
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 "Our Management" beginning on page 107 of this Draft 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. Swapna Bansode
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/	Persons/ Entities holding Equity Shares of our Company.

Shareholders	
Executive Directors	Managing Director & Whole-time Director(s) of our Company.
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 “Our Group Companies” promoted by the Promoter on page 124 of this Draft Prospectus.
HUF	Hindu Undivided Family.
ISIN	International Securities Identification Number. In this case being – [●]
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 “Our Management” on page 107 of this Draft Prospectus.
IT Act	The Income Tax Act, 1961 as amended till date
Indian GAAP	Generally Accepted Accounting Principles in India.
JV/ Joint Venture	A commercial enterprise undertaken jointly by two or more parties which otherwise retain their distinct identities.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on November 25, 2016, in accordance with the requirements of the SEBI (ICDR) Regulations
MOA / Memorandum / Memorandum of Association	Memorandum of Association of RKEC Projects Limited (Formerly known as RKEC Projects Private limited) as amended from time to time.
Nomination and Remuneration Committee	Nomination and remuneration committee of our Company constituted in accordance with Regulation 19 of the SEBI Listing Regulations and Companies Act, 2013
Non Residents	A person resident outside India, as defined under Foreign Exchange Management Act, 1999
NRIs / Non-Resident Indians	A person resident outside India, as defined under Foreign Exchange Management Act, 1999 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. Mansaka Ravi & Associates, Chartered Accountants.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, limited liability Partnership, 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.
Promoter	Shall mean promoter of our Company i.e. Mr. Radhakrishna Garapati. For further details, please refer to section titled "Our Promoter and Promoter Group" beginning on page 120 of this Draft Prospectus.
Promoter Group	Includes such Persons and companies constituting our promoter group covered under Regulation 2(1) (zb) of the SEBI (ICDR) Regulations.
RBI Act	The Reserve Bank of India Act, 1934 as amended from time to time.
Registered Office and Corporate office of our Company	Door No.10-12-1, Rednam Alcazar, 3 rd Floor, Opposite SBI Main Branch, Old Jail Road, Rednam Gardens Visakhapatnam Andhra Pradesh-530020, India
Restated Information or Standalone Financial Statements or Restated Financial Statements	The financial statements of our Company’s assets and liabilities as at September 30, 2016, March 31, 2016, 2015, 2014, 2013 & 2012 and the statements of profit and loss and cash flows for the period ended September 30, 2016 and years ended March 31, 2016, 2015, 2014, 2013 & 2012 of our Company prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR Regulations and the Revised Guidance Note on Reports in Company Prospectuses (Revised) issued by the ICAI, together with

	the schedules, notes and annexure thereto
Reserve Bank of India / RBI	Reserve Bank of India constituted under the RBI Act.
RBI Act	The Reserve Bank of India Act, 1934 as amended from time to time.
RoC/ Registrar of Companies	Registrar of Companies, Andhra Pradesh, Hyderabad 2 nd Floor, Corporate Bhawan, GSI Post, Tattianaram Nagole, Bandlaguda Hyderabad -500068, Andhra Pradesh
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, 2015/SEBI Listing Regulations/Listing Regulations/SEBI (LODR)	The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
Stakeholders' Relationship Committee	Stakeholder's relationship committee of our Company constituted in accordance with Regulation 20 of the SEBI (LODR) Regulations and Companies Act
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.
SICA	Sick Industrial Companies (Special Provisions) Act, 1985.
Stock Exchange	Unless the context requires otherwise, refers to, National Stock Exchange of India Limited

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 Draft Prospectus.
Application Amount	The amount at which the Applicant makes an application for the Equity Shares of our Company in terms of Draft 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 Draft 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 Applicant/Investor with an SCSB which will be blocked by such SCSB to the extent of the Application Amount of the 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 [●]
Banker to the Issue Agreement	Agreement dated [●] 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 “Issue Procedure – Basis of Allotment” on page 243 of the Draft Prospectus.
Broker Centers	Broker centers notified by the Stock Exchanges, where the Applicants can submit the Application Forms to a Registered Broker.
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.
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 Applicant and a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/ 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. www.nseindia.com
Designated RTA Locations	Such locations of the RTAs where Applicant can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. www.nseindia.com
Designated Date	On the Designated Date, the amounts blocked by SCSBs are transferred from the ASBA Accounts to the Public Issue Account and/ or unblocked in terms of the Draft Prospectus
Designated Intermediaries/Collecting	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

Agent	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	[●]
Designated Stock Exchange	National Stock Exchange of India Limited (NSE)
DP	Depository Participant
DP ID	Depository Participant's Identity.
Draft Prospectus	Draft prospectus dated December 16, 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 Draft 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.
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 as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended
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.
HSL	Hem Securities Limited.
IPO	Initial Public Offering.
Issue/Public Issue/Initial Offer/Initial Public Offering/ IPO	The Public Issue 63,80,000 Equity shares of ₹ 10/- each at issue price of ₹ [●]/- per Equity share, including a premium of ₹ [●]/- per equity share aggregating to ₹ [●] comprising of a Fresh Issue of 46,80,000 Equity Shares and the Offer for Sale of 17,00,000 Equity Shares by Selling Shareholder.
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 [●]
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 [●]
Issue Price	The Price at which the Equity Shares are being issued by our Company under this Draft Prospectus being [●] 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, for further details please refer chapter titled "Objects of the Issue" at page no. 63 of the Draft Prospectus
LM/Lead Manager	Lead Manager to the Issue, in this case being Hem Securities Limited (HSL).
Listing Agreement/ Equity	The Listing Agreement to be signed between our Company and National Stock

Listing Agreement	Exchange of India Limited (NSE).
Market Maker	Member Brokers of NSE who are specifically registered as Market Makers with the NSE Emerge Platform. In our case, [●]
Market Making Agreement	The Market Making Agreement dated [●] between our Company and Market Maker, [●]
Market Maker Reservation Portion	The reserved portion of 3,20,000 Equity Shares of ₹ 10 each at an Issue price of [●] each aggregating to [●] Lakh to be subscribed by Market Maker in this issue.
MOU/ Issue Agreement	The Memorandum of Understanding dated December 02, 2016 between our Company, Lead Manager and Selling Shareholder.
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 60,60,000 equity Shares of ₹10 each at a price of [●] per Equity Share (the "Issue Price"), including a share premium of [●] per equity share aggregating to [●] (In 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 "Objects of the Issue" beginning on page 63 of this Draft 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/-
NSEL/NSE	National Stock Exchange of India Limited
NSE EMERGE	The SME platform of NSE, approved by SEBI as an SME Exchange for listing of equity shares offered under Chapter X-B of the SEBI ICDR Regulations.
Other Investor	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Overseas Corporate Body/ 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 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 Applicant, on the Designated Date.
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 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 Bigshare Services Pvt. Ltd.
Registrar Agreement	The agreement dated December 02, 2016, entered into between our Company,

	Selling Shareholder 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 http://www.nseindia.com/membership/content/cat_of_mem.htm
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 http://www.sebi.gov.in/pmd/scsb.pdf
Selling Shareholder	Mr. Radhakrishna Garapati
SME Exchange	SME Platform of the NSE i.e. NSE EMERGE
SME Platform	The SME Platform of NSE i.e. NSE EMERGE 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, 1993, as amended from time to time.
Underwriting Agreement	The Agreement [●] entered between the Underwriters [●], Selling Shareholder and our Company.
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
Working Day	Any day, other than Saturdays or Sundays, on which commercial banks in India are open for business, provided however, for the purpose of the time period between the Issue Opening Date and listing of the Equity Shares on the Stock Exchanges, “Working Days” shall mean all trading days excluding Sundays and bank holidays in India in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016.

Technical and Industry Related Terms

Term	Description
APIIC	Andhra Pradesh Industrial Infrastructure Corporation

CAGR	Compound Annual Growth Rate
CLCSS	Credit Linked Capital Subsidy Scheme
DWT	Deadweight tonnage
EMEs	Emerging Market Economies
EPC	Engineering Procurement & Construction
FDI	Foreign Direct Investment
FY	Financial Year
GDP	Gross Domestic Product
JV	Joint Venture
MAT	Minimum Alternate Tax
MoU	Memorandum of Understanding
MSMEs	Micro, Small & Medium Enterprises
MW	Mega Watt
NH	National Highway
NHAI	National Highway Authority of India
NWCMC	Waghala Nanded Municipal Corporation, Nanded
PSC	Pre-stressed concrete
RCC	Reinforced concrete Composite
RGVY	Rajiv Gandhi Grameen Vidyutikaran Yojana
SMEs	Small & Medium Enterprises

ABBREVIATIONS

Abbreviation	Full Form
₹ / Rs./ Rupees/ INR	Indian Rupees
AS / Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
A/c	Account
ACS	Associate Company Secretary
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
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
Brig.	Brigadier
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 & Amortization
ECS	Electronic Clearing System
ESIC	Employee's State Insurance Corporation
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
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
INR / ₹/ Rupees	Indian Rupees, the legal currency of the Republic of India
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
Lt. Gen.	Lieutenant General
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
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
Registration Act	Registration Act, 1908
Retd.	Retired
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
VAT	Value Added Tax
VCF / Venture Capital Fund	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.
WDV	Written Down Value
WTD	Whole Time Director
w.e.f.	With effect from

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

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

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

Certain Conventions

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

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

Use of Financial Data

Unless stated otherwise, throughout this Draft Prospectus, all figures have been expressed in Rupees and Lakh. Unless stated otherwise, the financial data in the Draft Prospectus is derived from our financial statements prepared and restated for the financial year ended 2016, 2015, 2014, 2013 and 2012 and also for the stub period ended September 30, 2016 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 128 of this Draft Prospectus. Accordingly, financial information relating to us is presented on Standalone basis only. Our fiscal year commences on April 1 of every year and ends on March 31st of every next year.

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

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and elsewhere in the Draft 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 128 of this Draft Prospectus.

For additional definitions used in this Draft Prospectus, see the section “*Definitions and Abbreviations*” on page 01 of this Draft Prospectus. In the section titled “*Main Provisions of Articles of Association*”, on page 253 of the Draft Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

Use of Industry & Market Data

Unless stated otherwise, industry and market data and forecast used throughout the Draft prospectus was obtained from internal Company reports, data, websites, Industry publications report as well as Government Publications. Industry publication data and website data generally state that the information contained therein has been obtained from sources believed to be reliable, but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Although, we believe industry and market data used in the Draft 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 69 of the Draft 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

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

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 16, 81 & 128 in the Draft Prospectus, unless otherwise indicated, have been calculated based on our restated financial statements prepared in accordance with Indian GAAP.

FORWARD LOOKING STATEMENTS

This Draft Prospectus includes certain “forward-looking statements”. We have included statements in the Draft 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 Construction business.
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. General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
5. Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
6. Disruption in supply of Raw Materials at our projects sites;
7. Recession in the market;
8. Changes in laws and regulations relating to the industries in which we operate;
9. Effect of lack of infrastructure facilities on our business;
10. Occurrence of Environmental Problems & Uninsured Losses;
11. Our ability to successfully implement our growth strategy and expansion plans;
12. Our ability to meet our capital expenditure requirements;
13. Our ability to attract, retain and manage qualified personnel;
14. Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;
15. Failure to obtain any approvals, licenses, registrations and permits in a timely manner;
16. Delay in timely completion of the Company’s projects;
17. 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;
18. Occurrence of natural disasters or calamities affecting the areas in which we have operations;
19. Conflicts of interest with affiliated companies, the promoter group and other related parties;
20. The performance of the financial markets in India and globally;
21. Any adverse outcome in the legal proceedings in which we are involved;
22. Our ability to expand our geographical area of operation;
23. Concentration of ownership among our Promoter.

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 16, 81 & 163 respectively of the Draft 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, 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 Draft 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 128, 81 & 163 respectively of this Draft Prospectus and the risks and uncertainties described below, before making a decision to invest in our Equity Shares.

The risk factors set forth below are not exhaustive and do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. Any of the following risks, individually or together, could adversely affect our business, financial condition, results of operations or prospects, which could result in a decline in the value of our Equity Shares and the loss of all or part of your investment in our Equity Shares. While we have described the risks and uncertainties that our management believes are material, these risks and uncertainties may not be the only risks and uncertainties we face. Additional risks and uncertainties, including those we currently are not aware of or deem immaterial, may also have an adverse effect on our business, results of operations, financial condition and prospects.

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

Materiality

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

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

Note:

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

In this Draft 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 16 and "Management Discussion and Analysis of Financial Condition and Results of Operations" on page 163 of this Draft 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. 176 of this Draft Prospectus. A brief detail of such outstanding litigations as on the date of this Draft Prospectus are as follows:

Matters involving Our Company:-

Nature	No. of Outstanding Matters	Amount Involved (in Rs. Lacs)
Appeal filed (Indirect Tax)	4	931.17
Notice received (Income Tax)	1	unascertained
Other pending matter	1	3.26
Case filed by the Company	1	69.99

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, promoter or Group Company in future.

2. *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 believe that we have obtained all the requisite permits but we have not registered ourselves under Contract Labour (Regulation and Abolition) Act, 1970 and Building and Other Construction Workers (regulations of employment and conditions of service) Act, 1996 for certain projects undertaken by the company. 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 inter alia 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, or penal action be taken against our company and its officers in default 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 181 of the Draft Prospectus

3. *Our construction projects may be delayed, modified or cancelled for reasons beyond our control which may materially and adversely affect our business, financial condition and results of operation.*

Project delays, modifications or cancellations in projects may occur from time to time due to either a client’s requirements or our default or any incidents of force majeure or legal impediments. In case of any delays in the project we may incur significant additional costs and our clients may seek liquidated damages due to our failure to meet the requisite deadlines in the project or even terminate the construction contract totally or refuse to grant us any extension. The schedule of completion may need to be reset and we may not be able to recognize revenue if the required percentage of completion is not achieved in the specified timeframe.

Further, in case of lump-sum contract or fixed price contracts, price of the contracts are based on the cost to be incurred and the schedule of implementation which are based on management estimates and assumptions. These estimates may prove to be inaccurate with the execution of the projects. As a result, our future earnings may be different from the amount estimated by the management. In addition, even where a project proceeds as scheduled, it is possible that contracting parties may default and fail to pay amounts owed or receivables due. If any or all of these risks materialize, our business, financial condition and results of operation may be affected.

4. *Our revenue is largely dependent on the orders received from the customers & clients. Our inability to identify new projects or successfully bid for new projects may effect on our business operations and financial results.*

Identification of new projects and bidding for new projects are a continuous part of our business operation. However, the Projects are awarded considering the competitive bidding processes and satisfaction of certain prescribed pre-qualification criteria. Once the prospective bidders satisfy the pre-qualification criteria of the tender, the project is usually awarded based on the price of the contract quoted by the bidder. We cannot assure you that we would bid for every project where we are pre-qualified to submit a bid, that we will remain qualified during the bidding process, that our bids, when submitted or if already submitted, would be accepted or that we could be awarded the project. Further, there may be delays in the bid selection process owing to a variety of reasons which may be outside our control. In case we are not awarded the project due to any reason mentioned above it may affect on our business operations and financial results.

For further details regarding our business, see chapter titled “*Our Business*” on page 81 of this Draft Prospectus.

5. *Excessive dependence on Vijaya Bank for obtaining financial facilities.*

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 our borrowing. Our entire fund based and non fund base financial assistance has been sanctioned by Vijaya Bank. We have been sanctioned the financial assistance on the security of assets and personal guarantee of our Promoter, Director and our Promoter Group. Any default under such arrangement or non renewal of the sanction 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 affect our operations and financials. As on September 30, 2016, our total outstanding indebtedness was ₹ 1230.80 Lakhs.

Our significant indebtedness results in substantial amount of borrowing 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.

For further details regarding our indebtedness, see “*Statement of Financial Indebtedness*” on page 161 of this Draft Prospectus.

6. *The profits from our projects are difficult to predict and are not comparable at all.*

Profits from a construction project may vary as the same are dependent on various factors such as the stage and size of the project, the scheduled commencement date, the price and supply of raw materials and project delays. The scheduled commencement date for our projects are estimates based on current expectations and market conditions, which could change significantly. Similarly our revenue may also differ significantly from period to period due to factors such as number of new projects, delays or difficulties in expanding our business, accurate estimates of resources and time required to complete. In addition, since we record revenues using the percentage of completion method, our revenues and profits may vary significantly during different financial periods, and certain periods are not indicative of our financial position for the year, and may be significantly below the expectations of the market, analysts and investors.

For further details, see chapter titled “*Our Business*” and “*Financial Information of the Company*” on page 81 & 128 of this Draft Prospectus.

7. Our business may be affected by severe weather conditions or other natural disasters and our insurance coverage may not be adequate.

Our business activities may be materially affected by severe weather conditions such as heavy rainfall, cyclone etc, which may force us to either temporary stop the construction work or evacuate from the project site, replace damaged equipment, postpone the deliveries of material to our worksites. Heavy or sustained rainfalls or other extreme weather conditions such as cyclones could result in severe damages to our projects and equipment. In the year 2011, we have incurred losses to our machineries, equipments and project site due to occurrence of cyclone in the state of Andhra Pradesh. Our business activities may also be adversely affected by other natural disasters, including earthquakes, floods, and landslides, which may cause significant interruptions of our operations and damages to our properties and working environment which may not be adequately covered by the insurance policies availed by our Company. During periods of curtailed activity due to severe weather conditions or natural disasters, we may continue to incur our fixed operating expenses but our revenues from operations may be delayed or reduced.

8. Our company has not complied with statutory provisions of certain laws. 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 73 of the Companies Act, 2013. However all the unsecured loan falling outside the exemption from deposits provided under the Companies (Acceptance of Deposit) Rules have been repaid, there are no unsecured loans outstanding as on September 30, 2016. Further, our company has in the past provided loan to our directors which have been repaid as on date. Also, our Company in the past has not appointed a Whole time Company Secretary required as per the provisions of Section 383A & 203 of the Companies Act 1956 & Companies Act 2013 respectively. In respect of the above, actions may be taken against our Company and its Directors which may affect our financials and operations.

Additionally our Company may have not properly complied with Accounting Standard 15, 22, 26 and the Schedule XIV/II of the Companies Act 1956/2013 respectively in the past. However, now the Company has made necessary provision for gratuity and has also made necessary compliance in accordance with the Accounting Standards and Companies Act 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. 128 of this Draft Prospectus.

Further, the Lease deed of our registered office, being a lease for more than 11 months, is not registered as required under the provisions of Registration Act, 1908 and the Indian Stamp Act, 1899, which constitute non-compliance of the provisions of Registration Act 1908 and the Indian Stamp Act, 1899. In respect of the above penal actions may be taken against our Company and its Directors which may affect our financials and operations.

9. We have not received prior consent of our lenders for undertaking the initial public offer of equity shares.

As on the date of this Draft Prospectus, we have applied for consent & NOC for the Proposed Issue from our lenders but we are yet to receive consent and NOC from our lender Vijaya Bank. However, our Company intends to obtain the necessary consent & NOC in relation to the proposed Issue from such lender prior to the filing of the Prospectus with the RoC. Undertaking the proposed Issue without obtaining such lender consent & NOC may constitute a default under such loan agreement, which could impact our loan facilities and may have an effect on our financial condition and results of operations.

10. Some of our contracts usually contain terms that are customer favoring, who may terminate our contracts prematurely under various circumstances beyond our control; we have limited ability to negotiate terms of these contracts and may have to accept onerous provisions.

Some of our construction and civil contracts are with government entities in which the terms and conditions are fixed by those government entities. We thus have only a limited ability to negotiate the terms & conditions of these contracts, which tend to favour our clients. These terms and conditions are often unilaterally determined and we are

not permitted to change them without the prior written consent of such client. As a result, the terms that favour our government clients may put us in disadvantageous positions when we perform government contracts.

11. We do not own the registered office of our company and the same is shared with our group company.


The registered office of our Company situated at Door No. 10-12-1, Rednam Alcazar, 3rd Floor, Opp SBI Main Branch, Old Jail Road, Rednam Gardens, Visakhapatnam Andhra Pradesh - 530020 India has been taken on lease/rent from Mrs. Yalagaddha Madhavi w/o Mr. Y. Arun Chandra vide a rent agreement dated October 25, 2014 for a period of 3 years commencing from January 01, 2014 at a monthly rent of ₹ 20697.00. In case the owner of the above mentioned property doesn't renew the said rent agreement or renew the same on the term which are detrimental to the company we may be required to search for some new office which may drive management attention and may cause disruption in our business operation. Further, we share the above mentioned office with our Group Company i.e. Naram Enterprises Private Limited and there are no formal sharing agreement between us.

For further details of the property refer chapter titled "Our Business" beginning on page 81 of this Draft Prospectus.

12. Obsolescence, destruction, theft, breakdowns of our major equipment or failures to repair or maintain the same may adversely affect our business, cash flows, financial condition and results of operations.

To maintain our capability to undertake large and complex projects, we maintain our fleet of equipment with the latest technologies and knowhow and keep them readily available for our construction activities through careful and comprehensive repairs and maintenance. However, we cannot assure you that we will be immune from the associated operational risks such as the obsolescence of our equipment due to change in technology, destruction, theft or major equipment breakdowns or failures to repair our major equipment, which may result in their unavailability, project delays, cost overruns and even defaults under our construction contracts. The latest technologies used in newer models of construction equipment may improve productivity significantly and render our older equipment obsolete. Obsolescence, destruction, theft or breakdowns of our major plants or equipment may significantly increase our equipment purchase cost and the depreciation of our equipment. Some of our major equipment or parts may be costly to replace or repair. We may experience significant price increases due to supply shortages, inflation, transportation difficulties or unavailability of bulk discounts. Such obsolescence, destruction, theft, breakdowns, repair or maintenance failures or price increases may not be adequately covered by the insurance policies availed by our Company and may effect our business, cash flows, financial condition and results of operations.

13. Our Company has not yet applied for the registration of the logo with the registrar of Trademarks.

Currently we are using our logo i.e.  which have not yet been applied by the company for registration with the registrar of Trademarks. Any failure to get the same registered in our name may cause any third-party claim and 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.

14. Our Company had entered into various transactions with our Promoter, Promoter Group, Directors and Group Company.

Our Company had entered into various transactions with our Promoter, Promoter Group, Group Company, 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 156 of the Draft Prospectus.

15. We cannot assure you that the construction of our projects will be free from any and all defects.

We cannot assure you that we will always finish the construction or development of our projects in accordance with the requisite specifications or that the construction of our projects will be free from any and all defects.

In the event of discovery of defects/faults in our work, or due to damages to our construction due to factors beyond our control, or any of the other reasons, we may incur significant contractual liabilities and losses under our projects contracts and such losses may materially and adversely affect our financial performance and results of operations. Further, it may result in cancellation by customers of any commitment to the projects and/ or refund of any advance deposited with us by any customer due to dissatisfaction among our customers, which may affect our business, financial condition and results of operations.

16. Our Contingent Liability and Commitments could affect our financial position.

As on September 30, 2016 we had Contingent Liability of Rs. 12531.93 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)
Contingent liabilities in respect of:	
Sales/VAT/Service Tax demands / Notices/Appeals	931.17
Guarantees given by our Company	11600.00
Other moneys for which the company is contingently liable	0.76
Total	12531.93

For further details on the same please refer “Annexure S” under section “Financial Information of the Company” beginning on page no. 128 of Draft Prospectus.

17. We have in the past experienced negative cash flow. 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
Net cash flow from Operating activities	(42,720,520)	247,266,595	(95,917,894)	18,584,180	38,471,874
Net cash flow from Investing activities	27,157,200	2,336,857	(7,718,800)	2,967,987	8,327,915
Net cash flow from Financing activities	(32,617,732)	(56,280,968)	(27,352,763)	(20,697,459)	(31,577,467)

For details, please see the chapter titled “Financial Information of Our Company” on page 128 of this draft prospectus. Any negative cash flows in the future could affect our results of operations and consequently our revenues, profitability and growth plans.

18. Our Group Company has incurred losses and any operating losses in the future could affect the results of operations and financial conditions of our group company.

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

Name of the Group Company	Profit/ (Loss) for the year ended (Amount in Lacs)		
	31 st March 2016	31 st March 2015	31 st March 2014

Naram Enterprises Private Limited	(17.28)	1.79	10.61
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Any operating losses could adversely affect the overall operations of the group and financial conditions. Our Group Company has a negative networth due to the losses incurred in the Current financial year. Below is the detail of the networth of our Group Company:-

Name of the Group Company	Networth (Amount in Lacs)		
	31 st March 2016	31 st March 2015	31 st March 2014
Naram Enterprises Private Limited	(3.88)	13.40	11.61

For more information, regarding the Company, please refer chapter titled “*Our Group Company*” beginning on page 124 of this Draft Prospectus.

19. *Our Promoter, Director and Promoter Group members have provided personal guarantee and security of their personal property for loans availed by our Company. Any case of invocation of any personal guarantees or securities provided by our Promoter, Director and Promoter Group members may affect our company.*

Our Promoter, Director and Promoter Group Members has provided personal guarantees and provided their personal property as security to secure our existing borrowings taken from Vijaya Bank, 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, Director and Promoter Group Members may be invoked and/ or the security may also be enforced, which could have a impact on the networth of the Promoter. In addition, our Promoter, Director and Promoter Group Members may also 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. 161 of this Draft Prospectus.

20. *Relevant copies of educational qualifications of some of our Directors and Key Managerial Personnel are not traceable.*

Relevant copies of the educational qualifications of Mrs. Parvathi Devi Garapati, Vice Admiral (Retd.) Satish Soni, Mrs. Sita Ratnam Gudapati and Brig. (retd.) G V Satyanarayana 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 Management*” on page 107 of this Draft Prospectus. However, we have relied on affidavits provided by such Promoter, Directors and Key Managerial Personal’s.

21. *Our Group Company is also engaged in the line of business similar to our Company. There are no non – compete agreements between our Company and our Group Company. We cannot assure that our Promoter will not favour the interests of such Company over our interest or that the said entities will not expand which may increase our competition, which may adversely affect business operations and financial condition of our Company.*

Our Group Company, namely Naram Enterprises Private Limited is also engaged in the similar line of business of civil construction, as of our Company. Further, we have not entered into any non-compete agreement with any of said entities. We cannot assure that our Promoter who have common interest in said entities will not favour the interest of the said entities.

As a result, conflicts of interests may arise in allocating business opportunities amongst our Company and our Group Company in circumstances where our respective interests conflict. In cases of conflict, our Promoter may favour their companies in which our Promoter has interest. There can be no assurance that our Promoter or our Group Company or members of the Promoter Group will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such present and future

conflicts could effect on our business, results of operations and financial condition. For further details, please refer to “*Common Pursuits*” on page 121 of this Draft Prospectus.

22. *Shortage of labour required for the construction of our projects may affect our business operations.*

Our construction operations are labour intensive and depend on our ability to retain labour. We believe that currently the construction industry is facing problem with recruitment and retention of labour. Further, we may be required to pay increased salaries and wages to retain the labour force which could lower our profit margins. Also there can be no assurance that such increased wages will enable us to retain our labour force. In addition, India has strict labour legislation to protect the interest of labours. In case of any action being taken against our Company by any competent authority for hiring labour may affect our business operations and financials.

23. *We have in the past acquired running business of M/s R K Engineer & Contractors sole proprietorship concern of our promoter. Any future acquisition may or may not be as successful as our previous endeavors.*

Our Company was incorporated in the year 2005. Later, in 2006 we acquired a running business of M/s R K Engineer & Contractors sole proprietorship concern of our promoter. The acquisition was done vide a takeover agreement dated April 01, 2006 which includes takeover of the business of R K Engineer & Contractor along with all its assets and liabilities. We have been successful in running & operation of the business in the past. We may continue to expand our business in future by way of acquisitions. However, any failure to manage such acquisitions, if any, could affect our ability to achieve our sales and key execution targets or our ability to recover / absorb the fixed costs incurred in such acquisition and hence impact our future results of operations and financial conditions pursuant to such acquisition.

24. *Our Company has yet to take legal action with respect to fraud happened with the company by a third party which may have adverse impact on financials and profitability of the Company.*

During the Financial Year 2015-16 the Company has advanced a sum of Rs. 112.50 Lakhs to the third party individuals towards commission for sanction of a loan to our Company. However, as on date no loan has been sanctioned to our Company nor we have got the refund of the amount paid to the said individuals. The company has made a complaint to the Joint Commissioner of Police, Mumbai for the said matter, however, the FIR against the said individuals are yet to be registered and no further action to file a legal case in the matter is taken by the company which may have adverse impact on financials and profitability of the Company

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

Our Company is required under the Companies Act to make filing with the RoC from time to time within the stipulated period. In some of the cases our Company has made delayed filing of the required forms with requisite delay fees but in case of any cognizance being taken we may be subjected to penalty in respect of them. Further, our Company has not filed respective e-forms for re-appointment of Managing Director during the year 2015, however he have been re-designated as Chairman and Managing Director on December 1, 2016 and the requisite forms for the same have been filed. Also, our company has not filed e-form for satisfaction of loan from HDFC bank which is a non compliance of Section 86 of the Companies Act, 2013 although the re-payment of the said amount has been made in full. Although no show cause notice have been issued against our 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.

26. *The nature of our construction business exposes us to liability claims and disputes, which are not covered by our insurance.*

We are involved in the construction of projects where design or construction failures can result in substantial injury or damage to third parties. We could face significant claims for damages in respect of defects in the quality of our design, construction, and engineering or planning, commercial and environmental damage relating to or arising from our projects, damage caused by our vendors’ products or our failure to manage projects. Any liability claim or

dispute against us may leads to loss of customers and/or increase our costs, thereby materially and adversely affecting our business, results of operations and financial condition.

In addition, if there is a dispute regarding our work, the client may delay or withhold payment to us. If we were ultimately unable to collect on these payments, our profits would be reduced. This could have a effect on our business, financial condition and results of operation.

27. We may not be able to successfully implement our business and growth strategy, which may disrupt our business prospects and our profitability, may be reduced.

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 and expect our business to continue to grow, 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 effect on our business, financial condition and results of operations.

28. Our operation require large amount of working capital. Our inability to maintain an optimal level of working capital 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 ₹ 1500 lakhs from Vijaya 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 63 of this Draft Prospectus.

29. Our company may be subjected to any penalty or demand raised by any statutory authorities in future which may affect our financial position.

Our Company is engaged in business of civil construction which attracts tax liability such as Income Tax, Sales tax, 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. Although, we have submitted 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.

30. Any significant increase in the prices or decrease in the availability or timely availability of these raw materials may adversely affect our results of operations.

Our main raw materials are steel, Power and cement which are procured mainly from the local sources around the construction sites. As on date of the Draft 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 affect our results of operations and profitability.

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

The construction industry in India is highly competitive and our company faces competition from other civil construction companies. Our competitors have better technical competence, strong financial position, distribution network and better market reputation. Some of our competitors may also have longer industry experience which may enable them to react faster in changing market scenario and remain competitive. In order to curtail the competition we may be required to lower our pricing which may reduce our profit margin. In addition, growing competition may result in a decline in our market share which may affect our business operations and our financial condition.

32. Our insurance coverage may not be adequate to protect us against the risk of losses and this may have a 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, equipment insurance etc. We have not taken Insurance cover for Machinery Breakdown, against which if any losses occur will affect our business operations as well as profitability. Except as stated herein before, 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 affect our operation, results and financials.

33. Heavy dependence on our Promoter and Key Managerial Personnel for the continued success of our business through their continuing services and strategic guidance and support.

We are heavily dependent upon the continued services of our Key managerial personnel, along with support of our Promoter for the continuous success and growth of our organization. Our promoter Mr. Radhakrishna Garapati and our Key Managerial Person are responsible for the execution of our day to day activities. The loss of our Promoter and Key Management Personnel, or failure to recruit suitable or comparable replacements, could have an adverse effect on our business operations and growth strategies. In case 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 107 of this Draft Prospectus.

34. Any delays in the collection of receivables from our clients or our inability to recover adequately on our claims may affect our business & results of our operations.

There may be delays in the collection of receivables from our clients or our inability to recover adequately on our claims from the relevant authorities. Additionally, there may be claim for more payments from our clients for additional work and costs incurred in excess of the contract price or amounts not included in the contract price. These claims typically arise from changes in the initial scope of work or from delays caused by the clients. The costs associated with these changes or client caused delays include additional direct costs, such as labour and material costs associated with the performance of the additional work, as well as indirect costs that may arise due to delays in the completion of the project. Any such delays in recovery or settlement of claims may lead proceedings to recover our costs incurred. In addition, we may incur substantial costs in collecting against our debtors and such costs may not be recovered in full or at all from the debtors. As we often need to fulfill significant working capital requirements in our operations, delayed collection of receivables or inadequate recovery on our claims could materially affect our business, cash flows, financial condition and results of operations.

35. 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 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 effect on our business and results of operations.

36. We will not receive any proceeds from the Offer for sale by Selling Shareholder

This Issue includes an Offer for Sale of 17,00,000 Equity Shares by the Selling Shareholder Mr. Radhakrishna Garapati and a Fresh Issue of 46,80,000 equity shares. The entire proceeds from the Offer for Sale will be paid to the Selling Shareholder and our company will not receive any proceeds from such Offer for Sale. For further details, refer to the Section titled *Objects of the Issue* on page 63 of the Prospectus.

37. Accidents at our project site during the construction may adversely affect our operation.

Accidents while operating on the equipments and the construction 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 structure and equipments situated at the project site. Any loss to the employees of the company, project site or the equipments used for construction may 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 construction activities and consequently affect our profitability and cash flows.

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

In the last 12 months, our company has made a bonus allotment of Equity Shares to the promoter and the members of the promoter group in the ratio of 1:1 dated October 03, 2016 issued 96,56,300 Equity shares face value ₹10/- per Equity Share for consideration other than cash which is lower than the Issue Price.

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 69 of this Draft 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".

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 may 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, in both scenarios our business operation and financial performance of the company will be affected.

For further details of our working capital requirement, Please refer chapter titled “*Object for the Issue*” beginning on page 63 of this draft 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 Stock exchange as per SEBI (LODR), 2015

42. We have not carried out any independent appraisal of our working capital requirements.

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. We cannot assure that the basis on which these estimates have been made are accurate. If these basis or estimates prove to be wrong, we may be required to raise additional funds, in case we are required to raise any additional funds we cannot assure that the terms on which these additional funds will be raised will be favorable to our Company, which may in turn have negative impact on profitability of our company.

For further details please refer Chapter titled “*Objects of the Issue*” on page 63 of Draft Prospectus

43. The price at which the Equity shares have been acquired by the Promoter could be lower than the Issue Price.

Our Promoter’s average cost of acquisition of Equity Shares in our Company may be lower than the Issue Price decided by the Company in consultation with the Lead Manager. For further details regarding average cost of acquisition of Equity Shares by our Promoter in our Company and build-up of Equity Shares by our Promoter in our Company, please refer to the chapters “*Capital Structure*” beginning on page 51 of this Draft Prospectus.

44. Our Promoter and the Promoter Group member will jointly continue to hold majority shareholding in our Company after the Offer. There can be no assurance that the actions taken by them are in the best interest of the other shareholders.

Currently our promoter and promoter group members jointly hold 100% of the outstanding equity shares of our company. After completion of the Issue, Our Promoter along with the promoter group members will continue to hold collectively 73.40 % of the equity share capital of the company which will allow them to have a control over the matters submitted to the shareholders for approval. 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 Promoter 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.

For further information, please refer to the chapters “*Capital Structure*” beginning on page 51 of this Draft Prospectus

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. Further, any such issue or sales of our Equity Shares or pledge or encumbrance by any of our significant shareholders or any perception that by the investor that such transaction will happen may 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 Promoter 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 Draft Prospectus.

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

Under the 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.

47. Certain data mentioned in this Draft 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

48. 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.

49. 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.

50. 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, may result in investor concern about stability in the region, which may adversely affect the price of our Equity Shares. Any such events in the future within our country or 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.

51. 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 181 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. Any such future amendments may affect our overall tax efficiency, and may result in significant additional taxes becoming payable.

52. Instability in financial markets could materially and adversely affect on the financial market and our share price.

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the developed economies of the world, may have a negative

impact on the Indian economy also. Although economic conditions are different in each country, but the 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 and the Brexit, exit of Britain from the European Union, 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 the 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.

53. 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, cyclone, 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.

54. Any change in 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.

55. Transition to IFRS reporting could have a material adverse effect on our reported results of operations or financial condition.

Our Company may be required to prepare annual and interim financial statements under IFRS in accordance with the roadmap for the adoption of, and convergence with, the IFRS announced by the Ministry of Corporate Affairs, Government of India through a press note dated January 22, 2010 ("IFRS Convergence Note"). The Ministry of Corporate Affairs by a press release dated February 25, 2011 has notified that 32 Indian Accounting Standards are 21 to be converged with IFRS. The date of implementation of such converged Indian accounting standards has not yet been determined and will be notified by the Ministry of Corporate Affairs after various tax related issues are resolved. We have not yet determined with certainty what impact the adoption of IFRS will have on our financial reporting. Our financial condition, results of operations, cash flows or changes in shareholders' equity may appear materially different under IFRS than under Indian GAAP or our adoption of IFRS may adversely affect our reported results of operations or financial condition. This may have a material adverse effect on the amount of income recognized during that period.

56. All of our business activities are located in India and a decline in economic growth in India could cause our business to suffer.

We operate all our business activities in India only and our growth, performance and quality of our business are significantly dependent on the health of the economy of India. The Indian economy had a sustained growth over the last decade. However, there are many factors which may adversely affect the future growth of the economy such as adverse changes in liberalization policies, social disturbances, terrorist attacks and other acts of violence or war,

natural calamities or interest rates changes any of these changes or any other change may affect the infrastructural development of the country which could adversely impact our business and financial performance.

Prominent Notes:

- Public Issue Of 63,80,000 Equity Shares of Face Value of ₹ 10/- each of RKEC Projects Limited (“RKEC” or “Our Company” or “The Issuer”) for cash at a Price of ₹ [●] Per Equity Share (Including a Share Premium of ₹ [●] per Equity Share) (“Issue Price”) aggregating to ₹ [●] Lacs, of which 3,20,000 Equity Shares of Face Value of ₹10/- each at a price of ₹ [●] aggregating to ₹ [●] Lacs will be reserved for subscription by Market Maker (“Market Maker Reservation Portion”) and Net Issue to Public of 60,60,000 Equity Shares of Face Value of ₹ 10/- each at a price of ₹ [●] aggregating to ₹ [●] Lacs (hereinafter referred to as the “Net Issue”) The Issue and the Net Issue will constitute 26.59 % and 25.26 % respectively of the Post Issue paid up Equity Share Capital of Our Company.
- 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:
 - Minimum fifty percent to retail individual investors; and
 - 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.

- The Net worth of our Company as on September 30th 2016, March 31st, 2016 and March 31st, 2015 was ₹ 29.30 crores, ₹ 25.63 crores and ₹ 22.43 crores respectively. For more information, see the section titled “*Financial Information of our Company*” beginning on page 128 of this Draft Prospectus.
- The NAV / Book Value per Equity Share, based on Standalone Restated Financials of our Company as on September 30th 2016, March 31st, 2016 and March 31st 2015 was ₹ 30.35, ₹ 26.54 and ₹ 23.23 per equity share respectively. For more information, see the section titled “*Financial Information of our Company*” beginning on page 128 of this Draft Prospectus.
- The average cost of acquisition of Equity Shares by our Promoter are set out below:

Sr. No.	Name of the Promoter	No. of Shares held	Average cost of Acquisition (in ₹)
1.	Mr. Radhnakrishna Garapati	1,93,01,700	5.00

- We have entered into various related party transactions with related parties including our Promoter Group Entities and Group Companies for the period ended September 30th 2016 & March 31st, 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 156 of this Draft Prospectus.
- 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 156 and “*Our Promoter and Promoter Group*” and “*Our Group Company*” on page 120 and 124 respectively and to the extent of any Equity Shares held by them and to the extent of the benefits arising out of such shareholding.
- Our Company was originally incorporated on April 01, 2005 as “RKEC Projects Private Limited” vide Registration no. 045795 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Andhra Pradesh, Hyderabad. On April 01, 2006, our company takeover the running business of a proprietorship firm of our Promoter Mr. Radhakrishna Garapati i.e. RK Engineers & Contractors. Later, 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 October 31, 2016 and the name of the our company was changed to “RKEC Projects Limited” vide a fresh Certificate of incorporation dated November 10, 2016, issued by the Registrar of Companies, Andhra Pradesh, Hyderabad having CIN U45200AP2005PLC045795.

For details of change in our name and registered office, please refer to Section titled “*History and Certain Corporate Matters*” on page 103 of this Draft Prospectus.

9. None of our Promoter, Promoter Group, Directors and their relatives has entered into any financing arrangement or financed the purchase of the Equity Shares of our Company by any other person during the period of six months immediately preceding the date of filing of Draft Prospectus.
10. Our Company, Promoter, 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 69 of this Draft Prospectus.
12. The Lead Manager and our Company shall update this Draft Prospectus and keep the investors / public informed of any material changes till listing of the Equity Shares offered in terms of this Draft 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 243 of this Draft Prospectus and shall be made in consultation with the Designated Stock Exchange i.e. National Stock Exchange of India Limited. 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 / Promoter 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 Draft Prospectus. For further details please see the chapter titled “*Our Management*” beginning at page 107, chapter titled “*Our Promoter and Promoter Group*” and “*Our Group Company*” beginning at page 120 and 124 respectively, and chapter titled “*Financial Information of the Company*” beginning at page 128 of this Draft 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 128 of this Draft 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 Promoter, Promoter Group, Directors, Key Managerial Personnel or Group Companies except for the share of the offer for sale to the Selling shareholder.
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 103 of this Draft 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 Outlook

Growth prospects have weakened throughout the world economy. Global growth for 2016 is projected at 2.4 percent, unchanged from the disappointing pace of 2015 and 0.5 percentage point below the January forecast. Emerging market and developing economies (EMDEs) are facing stronger headwinds, including weaker growth among advanced economies and persistently low commodity prices, as well as lackluster global trade and capital flows. Divergences between commodity exporters and importers persist. Conditions remain markedly challenging for commodity exporters, which continue to struggle to adjust to the new era of depressed prices. In contrast, commodity importers are showing greater resilience to headwinds, although the expected growth windfall from low energy prices has been surprisingly modest. Global growth is projected to pick up slowly to 3.0 percent by 2018, as stabilizing commodity prices provide support to commodity exporting EMDEs. Downside risks have become more pronounced. These include deteriorating conditions among key commodity exporters, softer-than expected activity in advanced economies, rising private sector debt in some large emerging markets, and heightened policy and geopolitical uncertainties. While policy space for monetary and fiscal stimulus is narrow, structural reforms could boost growth both in the short and the long term.

Advanced economies are expected to expand by 1.7 percent in 2016, 0.5 percentage point below January projections. Investment continues to be soft amid weaker growth prospects and elevated policy uncertainty, while export growth has slowed reflecting subdued external demand. Despite an expected boost from lower energy prices, and the ongoing improvement in labor markets, growth is projected to level off in 2016 rather than accelerate.

EMDEs started 2016 with weaker manufacturing activity. Investment growth has also slowed substantially, especially in commodity exporters, partly reflecting tightened domestic policies and weak capital inflows. In China, a gradual domestic rebalancing is under way, with robust growth in services and policy support measures mitigating the slowdown in industrial activity. Brazil and the Russian Federation are still mired in recession. Global merchandise trade remains subdued, reflecting rebalancing in China and weaker demand from commodity exporters, which together contributed to an outright contraction in overall EMDE merchandise imports in 2015.

(Source - <http://pubdocs.worldbank.org/en/842861463605615468/Global-Economic-Prospects-June-2016-Divergences-and-risks.pdf>)

Uncertainty in the Aftermath of the U.K. Referendum

Before the June 23 vote in the United Kingdom in favor of leaving the European Union, economic data and financial market developments suggested that the global economy was evolving broadly as forecast in the April 2016 World Economic Outlook (WEO). Growth in most advanced economies remained lackluster, with low potential growth and a gradual closing of output gaps. Prospects remained diverse across emerging market and developing economies; with some improvement for a few large emerging markets “in particular Brazil and Russia” pointing to a modest upward revision to 2017 global growth relative to April’s forecast.

The outcome of the U.K. vote, which surprised global financial markets, implies the materialization of an important downside risk for the world economy. As a result, the global outlook for 2016-17 has worsened, despite the better-than-expected performance in early 2016. This deterioration reflects the expected macroeconomic consequences of a

sizable increase in uncertainty, including on the political front. This uncertainty is projected to take a toll on confidence and investment, including through its repercussions on financial conditions and market sentiment more generally. The initial financial market reaction was severe but generally orderly. As of mid-July, the pound has weakened by about 10 percent; despite some rebound, equity prices are lower in some sectors, especially for European banks; and yields on safe assets have declined.

With “Brexit” still very much unfolding, the extent of uncertainty complicates the already difficult task of macroeconomic forecasting. The baseline global growth forecast has been revised down modestly relative to the April 2016 WEO (by 0.1 percentage points for 2016 and 2017, as compared to a 0.1 percentage point upward revision for 2017 envisaged pre-Brexit). Brexit-related revisions are concentrated in advanced European economies, with a relatively muted impact elsewhere, including in the United States and China.

(Source - <https://www.imf.org/external/pubs/ft/weo/2016/update/02/pdf/0716.pdf>)

Indian Economy Overview

As per the provisional estimates of national income released by Central Statistics Office on 31st May 2016, the growth rate of Gross Domestic Product (GDP) at constant (2011-12) prices for the year 2015-16 is estimated at 7.6 per cent as compared to the growth of 7.2 per cent in 2014-15 (Table 1). The growth in Gross Value Added (GVA) at constant (2011-12) basic prices for the year 2015-16 is estimated at 7.2 per cent as compared to the growth of 7.1 per cent in 2014-15. At the sectoral level, the growth rate of GVA at constant (2011-12) basic prices for agriculture & allied sectors, industry and services sectors for the year 2015-16 are estimated at 1.2 per cent, 7.4 per cent, and 8.9 per cent respectively. The growth in GDP in Q4 of 2015-16 (January-March) is estimated at 7.9 per cent as compared to the growth of 6.7 per cent in the corresponding quarter of 2014-15. GDP Growth during the first three quarters of 2015-16 was 7.5 per cent, 7.6 per cent and 7.2 per cent respectively. The WPI headline inflation increased to 0.8 per cent in May 2016 from 0.3 per cent in April 2016. The CPI headline inflation increased to 5.8 per cent in May 2016 from 5.5 per cent in April 2016.

Merchandise exports and imports declined by 0.8 per cent and 13.2 per cent (in US dollar terms) respectively in May 2016 over May 2015. During May 2016, oil imports and non-oil imports declined by 30.5 per cent and 7.1 per cent over May 2015.

Foreign Exchange Reserves stood at US\$ 360.2 billion as on 27th May 2016 the same level as on the end March 2016. The rupee depreciated against the US dollar, Pound sterling, Japanese Yen and Euro by 0.7 per cent, 2.0 per cent, 1.3 per cent and 0.4 per cent respectively in May 2016 over the previous month of April 2016.

The Provisional actual of the fiscal deficit as per cent of GDP at current market price for 2015-16 is 3.9 per cent as compared to 4.1 per cent in 2014-15. The Provisional actual for revenue deficit as per cent of GDP at current market price for 2015-16 is 2.5 per cent, as compared to 2.9 per cent in 2014-15.

(Source- http://www.finmin.nic.in/stats_data/monthly_economic_report/2016/indmay16.pdf)

Overview of the Construction industry

Construction activity creates physical assets in a number of sectors of the economy. Construction sector has two key segments: (i) Buildings, falling into one of the following categories: residential, commercial, institutional and industrial; and (ii) Infrastructure such as road, rail, dams, canals, airports, power systems, telecommunication systems, urban infrastructure including water supply, sewerage, and drainage and rural infrastructure. Assets once created also need to be maintained. Many upstream economic activities depend upon the construction sector. It is roughly estimated that 40–45 per cent of steel; 85 per cent of paint; 65–70 per cent of glass and significant portions of the output from automotive, mining and excavation equipment industries are used in the construction industry.

Construction accounts for nearly 60–80 per cent of the of project cost of roads and housing and a significant portion in case of other infrastructure sectors. Construction materials such as cement and steel, bricks and tiles, sands and aggregates, fixtures and fittings, paints and chemicals, petrol and other petro-products, timber, minerals, aluminium,

glass and plastics account for nearly two-third of the construction costs. The forward and backward multiplier impact of the construction industry is significant.

The Construction sector has been contributing around 8 per cent to the nation's GDP (at constant prices) in the last five years (2006–07 to 2010–11). GDP from Construction at factor cost (at constant prices) increased to Rs. 3.85 Lakh crore (7.9 per cent of the total GDP) in 2010–11 from Rs. 2.85 Lakh crore (8 per cent of the total GDP) in 2006–07. The growth in construction sector in GDP has primarily been on account of increased spending on physical infrastructure in the last few years through programmes such as National Highway Development (NHDP) and PMGSY/Bharat Nirman.

Key drivers of growth of construction industry

Forecasts for the market size of construction industry for the Twelfth Plan period indicate that the aggregate output of the industry during the period 2012–13 to 2016–2017 is likely to be Rs.52.31 Lakh crores increasing from Rs. 7.67 Lakh crores in 2012–13 to Rs. 13.59 Lakh crores in 2016–17. As noted earlier, growth in construction industry is linked to the growth in the infrastructure sector and the building industry. The output of the industry is likely to be contributed almost equally by the buildings and infrastructure segments respectively. The thrust on capacity expansion in the infrastructure sector will continue in the Twelfth Plan.

Apart from steady growth in construction related to industrial buildings, the industry catering to commercial real estate in the non-residential sector is likely to grow at an accelerated pace due to a vibrant and growing service industry such as IT and related sectors, hospitality and tourism industry and logistics services. The real estate sector faces challenges despite strong growth in the past. The current trend in real estate market is that after making investments in land, the project construction is mainly retail financed, that is, through advances or milestone based payments from owners. In affordable housing projects retail financing would be a challenge as the ability of the retail investors would be very limited. This issue becomes more significant in the category of affordable housing for low income group and economically and weaker segments of the society.

Even though the construction sector is attracting both domestic (gross bank credit) as well as foreign direct investment, more resources are needed for the sector to fulfill the ever rising pressures of enhancing the housing and infrastructure sectors in the country. The cumulative FDI inflows from April 2000 to August 2011 into construction activities stood at around US\$ 9,417 million or Rs. 42,072 crore, which is nearly 6 per cent of the total cumulative FDI inflow into the country during same period.

(Source- www.planningcommission.gov.in/plans/planrel/12thplan/pdf/12fyp_vol2.pdf)

SUMMARY OF OUR BUSINESS

The following information should be read together with, the more detailed financial and other information included in this Draft 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 16, 163 & 128 respectively.

OVERVIEW

We are a construction company primarily engaged in the business of Civil Construction such as construction of Highways, roads and bridges. During the last decade, we have undertaken and successfully completed many construction projects in India covering states of Andhra Pradesh, Tamil Nadu, Gujarat, Odisha, Rajasthan and Maharashtra. In addition to them, we have expanded our presence to three more states, Kerala, Uttar Pradesh and Manipur, with our ongoing projects. We have been able to achieve our targets by fusing tremendous engineering knowledge with groundbreaking skills, experienced team, binding an optimum mix of men, machine and materials across diverse projects.

Our core business is designing and undertaking construction projects such as Bridges, Ports, dams, high-rise structures, airports, cross water, roads, highways, Oil and gas Pipelines, complexes and environmental structures across India. We have attained good reputation among our clients because of our track record, experienced members and a proven strength on delivery norms across its all spectrum of services. We have entered into projects for diverse range of clients including Defence sector, Railways, Ports, Adani Port, Vedanta Ltd, IVRCL Limited, Rashtriya Ispat Nigam Limited and ESSAR.

Our company was incorporated as “RKEC Projects Private Limited” at Visakhapatnam, Andhra Pradesh as a private limited company under the provision of the Companies Act 1956 vide a certificate of incorporation dated April 01, 2005 bearing corporate identification number U45200AP2005PTC45795 issued by the Registrar of Companies, Andhra Pradesh, Hyderabad. After incorporation our company took over the running business of “RK Engineers & Contractors” a proprietorship concern of our promoter Mr. Radhakrishna Garapati, engaged in the business of civil engineering and construction work. Subsequently, the name of our company was changed to “RKEC Projects Limited” upon conversion of the company into a public limited company pursuant to the shareholders resolution passed in the Extra-ordinary General Meeting held on October 31, 2016 and our company was converted into public limited company vide a Fresh certificate of incorporation issued on November 10, 2016 by the Registrar of Companies, Hyderabad.

Our promoter Mr. Radhakrishna Garapati holds a Bachelor’s Degree in Mechanical Engineering from Andhra University & has over three decades of experience in the construction sector. Our Promoter along with his qualified team members focus on timely completion of the projects undertaken by the company and acknowledges that projects are critical to the continued growth and success of the Company. Under the leadership of our Promoter we have developed our own fleet of Construction Equipment for earth work, piling and marine works, civil works and bridges.

For the period ended September 30, 2016 and for year ended on March 31, 2016, fiscal 2015 and fiscal 2014 our total revenue was 8367.93 Lakhs, 11350.56 Lakhs, 7174.68 Lakhs & 5864.01 Lakhs respectively. Further, our EBT for the six months period ended September 30, 2016 and for the twelve month ended March 31, 2016, fiscal 2015 and fiscal 2014 were 555.30 Lakhs, 517.17 Lakhs, 303.75 Lakhs & 225.66 Lakhs respectively.

OUR MAJOR BUSINESS SEGMENT

1. Bridge Construction Work
2. Marine Work
3. Road & Building

OUR COMPETITIVE STRENGTHS

1. Timely completion of projects

Timely completion of the project as per the schedule and terms of the contract is of utmost importance for us. It is very critical for the growth of the organization. We have a good track record for timely completion of projects with minimum cost overruns. Timely completion of projects also helps the organization in reducing the possibilities of any penalty or liquidated damage being imposed upon by the customers. Execution of the projects in time also helps the company in maintaining good reputation among the clients and gaining repeated orders.

2. Experienced Management and Promoter

Our management has the relevant experience of construction technology and project management. Our team also possesses the requisite qualifications and experience in the construction industry. This team is responsible for the growth in our business operations. Our Company led by our Promoter and management has helped us in achieving strong revenue and profit growth over the past several years. Particularly, we benefit from the expertise of our Promoter and Managing Director, Mr. Radhakrishna Garapati holding a Bachelor's Degree in Mechanical Engineering from Andhra University having over three decades of experience in the construction sector.

3. Own fleet of Construction Equipments

We have developed our own fleet of construction equipment for earth work, piling and marine works, civil works and bridges. Our investment in the construction equipments has helped us in mobilizing the man, material and equipment to the project sites as and when the need arises.

4. Long term Relationship with the Clients

Our company focuses on providing the customers with the desired and standard quality of work. By providing the desired quality and standards we aim to achieve highest level of customer satisfaction and procure repeated orders from customers. Because of our good reputation with the clients we have been able to attain orders from a diverse range of client base including Defence Sector, Railways, Ports, NHAI, IVRCL Limited, Rashtriya Ispat Nigam Limited and ESSAR.

OUR BUSINESS STRATEGY

1. Focus on enhancing the project execution capabilities

We intend to continue our focus in enhancing the project execution capabilities so as to derive benefits of client satisfaction by timely completion and improvement in the operating margins. We constantly endeavor to increase our productivity and make fuller utilization of assets by leveraging our operating skill and resources. We intend to continue our focus on performance and project execution in order to achieve maximum return from our resources. Efficient project management and execution will also enable us to gain good reputation among our clients and earn repeated orders from them.

2. Capturing the growth potential and government focus on Infrastructural sector.

Infrastructural growth in India has gained momentum with the reforms and benefits extended by the government. Government have taken various steps for the industrial and infrastructural growth of the country through increased allocation, facilitation of incremental lending to the infrastructural sector and discounted lending rates to infrastructure sectors. We believe that with the increased focus of the government in the infrastructural sector can be a major growth opportunity for our Company.

3. Attract and retain talented employees

Employees are essential for the success of every organization. We rely on them to operate our construction equipment, complete various tasks on our complex construction projects and deliver quality performance to our clients. We constantly intend to continue our focus on improving health, safety and environment for our employees and provide various programs and benefits for the personal well-being and career development of our employees. We intend to strive to further reduce the employee attrition rate and retain more of our skilled workers for our future expansion by providing them with better, safer and healthier working environment.

4. Diversify into new geographies

We plan to continue our strategy of diversifying across states and increase orders from outside of Andhra Pradesh for the growth of our business. To control diversification risks, we may limit our expansion to other states to undertaking projects first in the areas we can deliver high-quality services. Through an increasingly diversified portfolio, we hope to hedge against risks in specific areas or projects and protect us from fluctuations resulting from business concentration in limited geographical areas. With our increased experience and success, however, our rate of expansion may increase in terms of increases in the number of new states and projects we undertake.

SWOT ANALYSIS:-

Strengths:	Weaknesses
<ul style="list-style-type: none"> • High-quality, cost-effective projects delivery capabilities. • Good track record of on schedule completion of project. • Long Experience of Promoter in the construction sector. • Supporting motivated, flexible, and focused team • Own fleet of requisite construction equipments. 	<ul style="list-style-type: none"> • Uncertainty and slow pace of reforms. • Macroeconomic challengers which constrain public and private funding.
Opportunities	Threats
<ul style="list-style-type: none"> • Increasing Government focus on increasing reforms in the infrastructural and industrial sector. • Expansion of key industry sector like power, steel, petrochemicals, telecom and others. • Infrastructural development in the Country 	<ul style="list-style-type: none"> • Economical and Political scenario in the country. • Any environmental issues in the execution of the projects

SUMMARY OF OUR FINANCIALS
ANNEXURE – I
RESTATED STATEMENT OF ASSETS AND LIABILITIES

(Amt in Rs.)

Particulars	As at					
	30/09/2016	31/03/2016	31/03/2015	31/03/2014	31/03/2013	31/03/2012
I. EQUITY AND LIABILITIES						
Shareholder's Funds						
Share Capital	96,563,000	96,563,000	96,563,000	96,563,000	96,563,000	96,563,000
Reserves and Surplus (excluding Revaluation Reserves, if any)	196,460,715	159,719,252	127,775,037	108,650,714	97,889,706	69,899,787
Money received against share warrants	-	-	-	-	-	-
Share Application Money Pending Allotment	-	-	-	99,840	99,840	99,840
Non Current Liabilities						
Long-term Borrowings	-	-	3,100,331	18,749,764	23,433,567	39,012,016
Deferred tax liabilities (Net)	-	-	-	-	-	-
Other Long Term Liabilities	-	-	-	-	-	-
Long-term Provisions	2,681,039	2,160,214	1,070,560	883,992	198,070	206,230
Current Liabilities						
Short-term Borrowings	123,080,874	149,833,476	95,323,700	161,334,820	90,037,284	187,470,970
Trade Payables	221,359,651	193,974,101	100,908,476	139,755,108	228,148,080	105,753,696
Other Current Liabilities	612,085,927	521,103,264	136,278,181	142,429,940	230,397,419	217,049,521
Short-term Provisions	12,870,332	23,521,170	15,760,859	20,288,399	39,421,452	31,347,698
Total	1,265,101,538	1,146,874,477	576,780,143	688,755,577	806,188,418	747,402,758
II. ASSETS						
Non Current Assets						
Fixed assets						
(i) Tangible Assets	102,503,572	122,057,610	149,554,276	173,384,352	199,093,705	227,009,120
(ii) Intangible Assets	46,879	57,266	36,286	49,244	61,684	-
(iii) Capital Work-In- Progress	-	-	-	-	-	-
(iv) Intangible Assets Under Development	-	-	-	-	-	-
Non Current Investments						
Deferred Tax Assets (Net)	3,048,592	12,099,596	9,896,669	7,287,844	9,075,818	7,187,839
Long-term Loans and Advances	1,448,040	-	-	-	-	-
Other Non Current Assets	-	-	-	-	-	-
Current Assets						
Current Investments						
Inventories	417,365,477	479,481,151	164,042,130	109,594,900	54,706,367	24,486,001
Trade Receivables	377,899,847	191,452,641	149,190,248	182,915,044	324,391,426	265,278,252
Cash and Cash Equivalents	189,097,868	237,278,920	43,956,436	174,945,893	174,091,184	158,868,859
Short-term Loans and Advances	144,843,522	66,617,177	36,000,820	22,021,822	11,777,701	28,992,702
Other Current Assets	28,847,740	37,830,117	24,103,278	18,556,477	32,990,533	35,579,985
Total	1,265,101,538	1,146,874,477	576,780,143	688,755,577	806,188,418	747,402,758
Note:- The above statement should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure IV, II and III.						

ANNEXURE – II

RESTATED STATEMENT OF PROFIT AND LOSS

(Amt in Rs.)

Particulars		For the Half	For the Year ended				
		Year ended	31/03/2016	31/03/2015	31/03/2014	31/03/2013	31/03/2012
Revenue from Operations		815,421,587	1,125,813,819	708,368,804	572,559,549	793,990,165	1,004,945,087
Other income		21,371,261	9,242,668	9,099,837	13,841,344	19,192,415	9,184,364
Total Revenue	A	836,792,848	1,135,056,487	717,468,641	586,400,893	813,182,580	1,014,129,451
Expenses:							
Purchase of Material		311,418,010	568,317,254	286,249,660	231,965,932	377,293,546	433,375,946
Employee Benefits Expense		57,732,079	81,006,498	49,060,570	48,785,886	82,044,642	76,628,055
Administrative and other Expenses		248,422,368	460,587,729	282,309,167	251,420,538	270,406,573	277,381,384
Finance Costs		32,617,732	53,180,637	32,410,156	42,452,367	36,078,076	33,704,064
Depreciation And Amortization Expense		13,287,118	34,381,497	40,178,898	35,507,696	34,915,290	33,578,673
Changes in inventory of Stock in Trade		117,774,645	(114,613,576)	(3,509,052)	(54,888,533)	(30,220,368)	101,392,177
Total Expenses	B	781,251,952	1,082,860,039	686,699,399	555,243,886	770,517,759	956,060,299
Profit before exceptional and extraordinary items and tax (A-B)	C	55,540,896	52,196,448	30,769,242	31,157,007	42,664,821	58,069,152
Exceptional/Prior Period item		(11,072)	(478,779)	(394,090)	(403,970)	(348,802)	(183,950)
Profit before extraordinary items and tax		55,529,824	51,717,669	30,375,152	30,753,037	42,316,019	57,885,202
Extraordinary item		-	-	-	8,186,974	-	6,400,994
Profit Before Tax		55,529,824	51,717,669	30,375,152	22,566,063	42,316,019	51,484,208
Provision for Tax							
- Current Tax		11,185,397	21,976,381	12,745,379	10,017,081	15,837,139	20,441,785
- Deferred Tax Liability / (Asset)		9,051,004	(2,202,927)	(2,608,824)	1,787,974	(1,887,979)	(7,187,839)
MAT Credit Entitlement		(1,448,040)	-	-	-	-	-
Short/(Excess) Tax adjustment of prior years		-	-	631,500	-	376,940	591,438
Restated profit after tax for the period from continuing operations		36,741,464	31,944,215	19,607,097	10,761,008	27,989,919	37,638,824
Profit/ (Loss) from Discontinuing operation		-	-	-	-	-	-
Tax expenses of discontinuing operations		-	-	-	-	-	-
Restated profit for the period		36,741,464	31,944,215	19,607,097	10,761,008	27,989,919	37,638,824

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

ANNEXURE – III

RESTATED CASH FLOW STATEMENT

(Amt in Rs.)

Particulars	For the Half Year ended	For the Year ended				
	30/09/2016	31/03/2016	31/03/2015	31/03/2014	31/03/2013	31/03/2012
CASH FLOW FROM OPERATING ACTIVITIES						
Net Profit before tax	55,529,824	51,717,669	30,375,152	22,566,063	42,316,019	51,484,208
Adjustment for :						
Less: Interest on Fixed Deposit	(5,922,286)	(8,101,415)	(9,213,585)	(13,841,344)	(19,192,415)	(8,651,899)
Less: Profit on sale of Fixed Assets	(14,957,607)	(1,141,253)	113,748	-	-	-
Add: Loss by Cyclone-Fixed Assets	-	-	-	-	-	6,400,994
Add: Loss by sale of Fixed Assets	-	-	-	1,087,455	3,802,942	1,716,024
Add: Depreciation	13,287,118	34,381,497	40,178,898	35,507,696	34,915,290	33,578,673
Add: Provision of Gratuity	645,013	1,212,823	198,043	700,496	(10,359)	210,817
Add: Interest on Borrowed Fund & Finance Charges	32,617,732	53,180,637	11,603,490	16,013,656	15,999,018	8,079,147
Operating profit before working capital changes	81,199,794	131,249,958	73,255,746	62,034,022	77,830,495	92,817,964
Adjustment for :						
(Increase)/Decrease in Inventories	62,115,674	(315,439,021)	(54,447,230)	(54,888,533)	(30,220,367)	101,392,177
(Increase)/Decrease in Trade Receivables	(186,447,206)	(42,262,393)	33,724,796	141,476,382	(59,113,174)	(184,107,486)
(Increase)/Decrease in Short Term loans and advances	(78,226,345)	(30,616,357)	(13,978,998)	(10,244,121)	17,215,001	(1,097,438)
(Increase)/Decrease in Other Current Assets	8,982,376	(13,726,839)	(5,546,801)	14,434,055	2,589,452	(10,268,107)
(Increase)/Decrease in Long Term loans and advances	-	-	-	-	-	-
Increase/(Decrease) in trade payables	27,385,550	93,065,625	(38,846,632)	(88,392,972)	122,394,384	22,125,413
Increase/(Decrease) in Short Term Borrowings	(26,752,602)	54,509,776	(66,011,120)	71,297,536	(97,433,686)	70,409,486
Increase/(Decrease) in Short term provisions	15,958	(1,593,859)	(7,267,314)	(13,327,569)	12,680,599	9,777,587
Increase/(Decrease) in other current liabilities	90,982,662	384,825,084	(6,151,764)	(87,967,479)	13,347,900	43,017,043
	(101,943,933)	128,762,016	(158,525,062)	(27,612,700)	(18,539,891)	51,248,674
Cash generated from / (used in) operations	(20,744,139)	260,011,974	(85,269,317)	34,421,322	59,290,604	144,066,639
Income Tax paid/(refund)	21,976,381	12,745,379	10,648,581	15,837,139	20,818,725	11,861,564
Net cash generated from/(used in) operating activities - (A)	(42,720,520)	247,266,595	(95,917,894)	18,584,180	38,471,877	132,205,076
CASH FLOW FROM INVESTING ACTIVITIES						
Purchase of tangible fixed assets	(11,765,086)	(8,314,558)	(17,382,385)	(13,522,357)	(37,364,500)	(111,112,620)

(Increase)/Decrease in Capital Work-in-Progress	-	-	-	-	-	26,297,319
Sale of fixed Assets	33,000,000	2,550,000	450,000	2,649,000	26,500,000	995,860
(Increase)/Decrease in other Non- Current Assets	-	-	-	-	-	-
Interest Income on Fixed Deposit	5,922,286	8,101,415	9,213,585	13,841,344	19,192,415	8,651,899
Dividend Income	-	-	-	-	-	-
Net cash (used in) Investing Activities - (B)	27,157,200	2,336,857	(7,718,800)	2,967,987	8,327,915	(75,167,542)
CASH FLOW FROM FINANCING ACTIVITIES						
Proceeds from Loan	-	(3,100,331)	(15,649,433)	(4,683,803)	(15,578,449)	4,244,338
Repayment of Share Application Money	-	-	(99,840)	-	-	-
Interest on Borrowed Fund	(32,617,732)	(53,180,637)	(11,603,490)	(16,013,656)	(15,999,018)	(8,079,147)
Dividend & DDT	-	-	-	-	-	-
Net cash(used in) / from financing activities - (C)	(32,617,732)	(56,280,968)	(27,352,763)	(20,697,459)	(31,577,467)	(3,834,809)
Net Increase/(decrease) in Cash & Cash Equivalents (A+B+C)	(48,181,052)	193,322,484	(130,989,457)	854,708	15,222,325	53,202,725
Cash and cash equivalents at the beginning of the year	237,278,920	43,956,436	174,945,893	174,091,184	158,868,859	105,666,135
Cash and cash equivalents at the end of the year	189,097,868	237,278,920	43,956,436	174,945,893	174,091,184	158,868,859
Proceeds from Loan						
Cash and cash equivalents at the end of year comprises :						
1. Components of cash and cash equivalents:						
Particulars	30/09/2016	31/03/2016	31/03/2015	31/03/2014	31/03/2013	31/03/2012
Cash on hand	4,179,120	1,099,350	349,922	1,244,304	1,354,483	670,472
Balances with scheduled banks:						
In current accounts	4,695,352	57,686,680	5,981,805	3,084,644	5,364,408	12,296,319
in Deposits with Scheduled Bank	5,107,203	4,933,597	5,107,701	118,444,876	59,158,249	41,773,374
In Earmarked Account	175,116,194	173,559,293	32,517,008	52,172,069	108,214,044	104,128,694
Total Cash and cash equivalents	189,097,868	237,278,920	43,956,436	174,945,893	174,091,184	158,868,859

Notes:-

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

2. Figures in Brackets represents outflow.

3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses as appearing in Annexure IV, I and II.

THE ISSUE

PRESENT ISSUE IN TERMS OF THIS DRAFT PROSPECTUS	
Equity Shares Offered: Public Issue of Equity Shares by our Company	63,80,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ [●]/- per share aggregating to ₹ [●]
<i>of which</i>	
Fresh Issue⁽¹⁾	46,80,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ [●]/- per share aggregating to ₹ [●]
Offer for Sale⁽²⁾	17,00,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ [●]/- per share aggregating to ₹ [●]
<i>of which</i>	
Issue Reserved for the Market Makers	3,20,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ [●]/- per share aggregating ₹ [●]
Net Issue to the Public*	60,60,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ [●]/- per share aggregating ₹ [●]
	of which
	[●] Equity Shares of ₹ 10/- each for cash at a price of ₹ [●]/- per share (including a premium of ₹ [●] per Equity Share) will be available for allocation for allotment to Retail Individual Investors of up to ₹ 2.00 Lacs
	[●] Equity Shares of ₹ 10/- each for cash at a price of ₹ [●]/- per share (including a premium of ₹ [●] per Equity Share) will be available for allocation for allotment to Other Investors of above ₹ 2.00 Lacs
Equity Shares outstanding prior to the Issue	1,93,12,600 Equity Shares of face value of ₹10 each
Equity Shares outstanding after the Issue	2,39,92,600 Equity Shares of face value of ₹10 each
Objects of the Issue/ Use of Issue Proceeds	Please see the chapter titled “ <i>Objects of the Issue</i> ” on page 63 of this Draft Prospectus

⁽¹⁾Fresh Issue and Offer for sale of 63,80,000 Equity Shares in terms of Draft Prospectus has been authorized pursuant to a resolution of our Board of Directors dated November 25, 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 December 01, 2016.

⁽²⁾The offer for sale by Mr. Radhakrishna Garapati (“Selling Shareholder”) for 17,00,000 equity shares authorized by his respective Authorization letter dated November 23, 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 201 of this Draft 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 207 of this draft prospectus.

GENERAL INFORMATION

Our Company was originally incorporated on April 01, 2005 as “RKEC Projects Private Limited” vide Registration no. 045795 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Andhra Pradesh, Hyderabad. The Company after its incorporation takeover the running business of a proprietorship firm of our Promoter Mr. Radhakrishna Garapati with effect from April 01, 2006 i.e. “RK Engineers & Contractors”. Further, 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 October 31, 2016 and the name of the our company was changed to “RKEC Projects Limited” vide a fresh Certificate of incorporation dated November 10, 2016, issued by the Registrar of Companies, Hyderabad having CIN U45200AP2005PLC045795.

For further details please refer to chapter titled “*History and Certain Corporate Matters*” beginning on page 103 of this Draft Prospectus.

Brief Company and Issue Information

Registered Office	Door No. 10-12-1, Rednam Alcazar, 3 rd Floor, Opp: SBI Main Branch, Old Jail Road, Rednam Gardens Visakhapatnam Andhra Pradesh 530020 Tel. No. +91-891-257-4517, Fax No. - +91-891-257-4703 E-mail: info@rkecprojects.com ; Website: www.rkecprojects.com
Date of Incorporation	April 01, 2005
Corporate Registration No.	045795
Corporate Identification No.	U45200AP2005PLC045795
Company Category	Company Limited by Shares
Company Sub-category	Indian Non Government Company
Address of Registrar of Companies	Registrar of Companies, Andhra Pradesh, Hyderabad 2 nd Floor, Corporate Bhawan, GSI Post, Tattiannaram Nagole, Bandlaguda Hyderabad -500068, Andhra Pradesh Phone:+91-40-29805427/3827/1927; Fax: +91-40-29803727 Email: roc.hyderabad@mca.gov.in Website: http://www.mca.gov.in
Designated Stock Exchange	NSE EMERGE (SME Platform of NSE), Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex Bandra (East), Mumbai-400051, Maharashtra
Issue Programme	Issue Opens on : [●] Issue Closes on : [●]
Company Secretary & Compliance Officer	Ms. Swapna Bansode RKEC Projects Limited Door No. 10-12-1, Rednam Alcazar, 3 rd Floor, Opp: SBI Main Branch, Old Jail Road, Rednam Gardens Visakhapatnam Andhra Pradesh 530020 Tel. No. +91-891-257-4517, Fax No. - +91-891-257-4703 E-mail: cs@rkecprojects.com ; Website: www.rkecprojects.com
Chief Financial Officer	Brig. (retd.) G V Satyanarayana RKEC Projects Limited Door No. 10-12-1, Rednam Alcazar, 3 rd Floor, Opp: SBI Main Branch, Old Jail Road, Rednam Gardens Visakhapatnam Andhra Pradesh 530020 Tel. No. +91-891-257-4517, Fax No. - +91-891-257-4703 E-mail: info@rkecprojects.com ; Website: www.rkecprojects.com

Note: Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre or post-Issue related problems, such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary account and unblocking of funds

All grievances 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, 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.

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

Board of Directors of our Company

The Board of Directors of our Company consists of:

Name	Designation	Address	DIN
Mr. Radhakrishna Garapati	Chairman & Managing Director	7-17-9/1, P No. 69 Indraprasta Kirlampudi Visakhapatnam- Andhra Pradesh 530023	00073080
Ms. Parvathi Devi Garapati	Whole-time Director	7-17-9/1, P No. 69 Indraprasta Kirlampudi Visakhapatnam- Andhra Pradesh 530023	00094961
Mr. Lucas Peter Thalakala	Non Executive Independent Director	D No. 11-2-1, H-13, Sea Shells Apts, Waltair Uplands, Visakhapatnam-530003 Andhra Pradesh	07664071
Vice Admiral (Retd.) Satish Soni	Non Executive Independent Director	N-110, Greater Kailash Part-, Greater Kailash, South Delhi-110048	07664074
Lt. Gen. (retd.) Peruvemba Ramachandran Kumar	Non Executive Independent Director	24, Tughlak Crescent, Delhi-110001	07352541
Mrs. Sita Ratnam Gudapati	Non Executive Director	12-2-790/157, Ayodhya Nagar Colony Near Kanaka Durga Temple, Mehdipatnam Hyderabad 500028 Telangana	07344104

For further details of the Directors of our Company, please refer to the chapter titled “Our Management” on page 107 of this Draft Prospectus.

Selling Shareholder

Our Selling Shareholder Mr. Radhakrishna Garapati has provided his consent for the Offer for sale through his authorisation letter dated November 23, 2016 for sale of 17,00,000 equity shares.

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

Lead Manager of the Issue	Legal Advisor to the Issue
HEM SECURITIES LIMITED 14/15 Khatau Building, 1st Floor, 40 Bank Street, Fort, Mumbai – 400001, Maharashtra Tel No.:+91-22-4906 0000 Fax No.:+91-22-22625991 Email: ib@hemsecurities.com Investor Grievance Email: redressal@hemsecurities.com Website: www.hemsecurities.com Contact Person: Mr. Anil Bhargava	Vedanta Law Chambers Ist Floor, SSK House, B-62, Sahakar Marg, Lal Kothi, Jaipur-302015 Rajasthan, India Tel: +91- 141 -2740911, +91- 141 -4014091 Fax: +91- 141 -2740911 Website: www.vedantalaw.webs.com Email: vedantalaw@rediffmail.com Contact Person: Nivedita R. Sarda

SEBI Regn. No.: INM000010981	
Registrar to the Issue	Bankers to the Company
BIGSHARE SERVICES PRIVATE LIMITED E-2, Ansa Industrial Estate, Sakhivihar Road, Sakinaka, Andheri (East), Mumbai-400 072, Maharashtra, India Tel No.:+91-22-40430200 Fax No.:+91-22-28475201 Email: ipo@bigshareonline.com Investor Grievance Email: investor@bigshareonline.com Website: www.bigshareonline.com Contact Person: Mr. Ashok Shetty SEBI Regn. No.: INR000001385	[•]
Statutory Auditors of the Company	Peer Review Auditors
M/s Rama Subba Rao & Co. CHARTERED ACCOUNTANTS Flat 102, Ground Floor, Apex YN Sadan, Plot-10, VIP Road, Opp. Late 2 Shopper Stop, CBM Compound, Visakhapatnam- 530 003 Tel. No: +91-891- 2792597 Email: ramasubbaraoandco@gmail.com Firm Registration No.: 002588S Contact Person: CA K Subrahmanyeswara Rao	M/S. Mansaka Ravi & Associates CHARTERED ACCOUNTANTS 34, Fourth Floor, Trinita Mall, Swage Farm, New Sanganer Road, Sodala Jaipur – 302019 Phone : 0141- 2297330, +91-9829753254 Email: caravimanaska@gmail.com Firm Registration No.: 015023C Contact Person: Mr. Ravi Mansaka
Banker to the Issue	
[•]	

*M/s Mansaka Ravi & Associates, Chartered Accountants are appointed as peer review auditors of our Company in compliance with section IX of part A of Schedule VIII of SEBI (ICDR) and holds a valid peer reviewed certificate dated 23rd day of December 2015 issued by the Institute of Chartered Accountants of India.

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 For more information on the Designated Branches collecting ASBA Forms, see the above mentioned SEBI link.

REGISTERED BROKERS

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the NSE at www.nseindia.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.nseindia.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.nseindia.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) 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.

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 128 and 72 of this Draft 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.

WITHDRAWAL OF THE ISSUE

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

If our Company and/or the Selling Shareholder withdraw the Issue anytime after the Issue Opening Date but before the allotment of Equity Shares, a public notice within 2 (two) working days of the Issue Closing Date, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre- Issue advertisements have appeared and the Stock Exchange will also be

informed promptly. The LM, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within 1 (one) working Day from the day of receipt of such instruction.

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

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

UNDERWRITING

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

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

Details of the Underwriter	No. of shares underwritten	Amount Underwritten (₹ in Lakhs)	% of Total Issue Size Underwritten
[•]	63,80,000* Equity Shares of ₹ 10/- being issued at [•] each	[•]	100%

*Includes 3,20,000 Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker [•] in its OWN account in order to claim compliance with the requirements of Regulation 106 V (4) of the SEBI (ICDR) Regulations, 2009, as amended.

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 [•] with the following Market Maker, to fulfill the obligations of Market Making for this issue:

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

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

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

- 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 prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of the NSE EMERGE Platform and SEBI from time to time.
- 3) 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.
- 4) The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the NSE EMERGE PLATFORM (in this case currently the minimum trading lot size is [●] equity shares; however the same may be changed by the NSE EMERGE Platform of NSE from time to time).
- 5) 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.
- 6) There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, NSE may intimate the same to SEBI after due verification.
- 7) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
- 8) 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.
- 9) On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
- 10) The Marker maker may also be present in the opening call auction, but there is no obligation on him to do so.
- 11) 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
- 12) The Market Maker(s) shall have the right to terminate said arrangement by giving a six months notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s) and execute a fresh arrangement.

In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but

prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106 V of the SEBI (ICDR) Regulations, 2009, as amended. Further our Company and the 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 particular point of time. The Market Making Agreement is available for inspection at our office from 11.00 a.m. to 5.00 p.m. on working days.

- 13) **Risk containment measures and monitoring for Market Makers:** SME portal of NSE “NSE Emerge” will have all margins, which are applicable on the NSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
- 14) **Punitive Action in case of default by Market Makers:** NSE’s SME Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership. The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.
- 15) **Price Band and Spreads:** The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
- 16) 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:

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

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

CAPITAL STRUCTURE

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

(₹ In Lacs, except share data)

Sr. No.	Particulars	Aggregate Value at Face Value	Aggregate Value at Issue Price
A	Authorized Share Capital 2,50,00,000 Equity Shares having Face Value of ₹ 10/- each	2500.00	-
B	Issued, Subscribed & Paid-up Share Capital prior to the Issue 1,93,12,600 Equity Shares having Face Value of ₹10/- each	1931.26	-
C	Present Issue in terms of this Draft Prospectus* 63,80,000 Equity Shares having Face Value of ₹ 10/- each at a Premium of ₹ [●] per share	638.00	[●]
	Which Comprises		
I.	Reservation for Market Maker portion 3,20,000 Equity Shares of ₹10/- each at a premium of [●] per Equity Share	32.00	[●]
II.	Net Issue to the Public 60,60,000 Equity Shares of ₹ 10/- each at a premium of [●] per Equity Share	606.00	[●]
	of which		
	[●] Equity Shares of ₹ 10/- each at a premium of [●] per Equity Share will be available for allocation for allotment to Retail Individual Investors of up to ₹ 2.00 Lacs	[●]	[●]
	[●] Equity Shares of ₹ 10/- each at a premium of [●] per Equity Share will be available for allocation for allotment to Other Investors of above ₹ 2.00 Lacs	[●]	[●]
D	Paid up Equity capital after the Issue 2,39,92,600 Equity Shares having Face Value of ₹10/- each	2399.26	-
E	Securities Premium Account Before the Issue After the Issue		- [●]

*The present Issue of 46,80,000 Equity Shares and the offer for sale by Mr. Radhakrishna Garapati for 17,00,000 equity shares in terms of Draft Prospectus has been authorized pursuant to a resolution of our Board of Directors dated November 25, 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 December 01, 2016.

The offer for sale by Mr. Radhakrishna Garapati ("Selling Shareholder") for 17,00,000 Equity shares have been authorized by his respective authorization letter dated November 23, 2016.

Classes of Shares

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

Changes in Authorized Share Capital:

- a) The initial authorized share capital of our Company was ₹ 1.00 Lakh divided into 10,000 Equity Shares of ₹10/- each. This authorized capital was increased to ₹ 1001.00 Lakhs divided into 1,00,10,000 Equity Shares of ₹ 10/- each pursuant to a resolution passed by our Shareholders in their extra-ordinary general meeting held on March 30, 2006.

- b) The authorized capital of our Company of ₹ 1001.00 Lakh divided into 1,00,10,000 Equity Shares of ₹10/- each was increased to ₹ 2500.00 Lakhs divided into 2,50,00,000 Equity Shares of ₹ 10/- each pursuant to a resolution passed by our Shareholders in their Annual general meeting held on September 30, 2016.

Notes to Capital Structure

1. Equity Share Capital History of our Company:

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

Date of Allotment of Equity Shares	No. of Equity Shares allotted	Face Value (₹)	Issue Price (including Premium if applicable (₹))	Consideration	Reason of Allotment	Cumulative No. of Equity Shares	Cumulative Securities Premium (₹)	Cumulative Paid Up Capital (₹)
Upon Incorporation*	10,000	10	10	Cash	Subscription to MOA ⁽ⁱ⁾	10,000	Nil	1,00,000
April 01, 2006	6,36,300	10	10	Cash	Further Allotment ⁽ⁱⁱ⁾	96,56,300	Nil	9,65,63,000
	90,10,000			Other than Cash [^]				
October 03, 2016	96,56,300	10	--	--	Bonus Issue	1,93,12,600	Nil	19,31,26,000

* Date of subscription to the Memorandum is April 01, 2005.

[^] Consideration other than cash includes Land, plant and machinery and other misc. assets- Rs 5,65,97,555 , Goodwill- 2,50,04,830 and Book debts, cash and bank balances- Rs. 84,97,615 on takeover of the running business of the proprietorship firm of our Promoter Mr. Radhakrishna Garapati being carried on under the name and style of "M/s R.K. Engineers and Contractors"

- (i) Mr. Radhakrishna Garapati and Mrs. Parvathi Devi Garapati were allotted 5,000 Equity Shares each, pursuant to their subscription to the Memorandum of Association.
- (ii) Further allotment of 96,46,300 Equity Shares were made to Mr. Radhakrishna Garapati.
- (iii) Bonus Issue of 96,51,300 Equity Shares to Mr. Radhakrishna Garapati and 5,000 Equity Shares to Mrs. Parvathi Devi Garapati in the ratio of 1:1 (one Equity Share for one Equity share held)

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

2. Details of Allotment made in the last two years preceding the date of the Draft 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
October 03, 2016	96,56,300	9656300	10	--	--	9,65,63,000	Other than Cash	Bonus in the ratio of 1:1 i.e. 1 Equity share for every 1 Equity share held/ Category- Existing shareholders

3. 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
April 01, 2006	90,10,000	10	10	Since our Company tookover the running business of the proprietorship firm of our Promoter Mr. Radhakrishna Garapati being carried on under the name and style of M/s R.K. Engineers and Contractors as going concern. Our Company allotted Equity Shares to Mr. Radhakrishna Garapati towards consideration for the said takeover	M/s R.K. Engineers and Contractors had the running established business entailing benefits of established market share, goodwill and business knowledge to the Company in its very initial phase.	Mr. Radhakrishna Garapati	90,10,000
October 03, 2016	96,56,300	10	--	Bonus in the ratio of 1:1 i.e. 1 Equity share for every 1 Equity share held	Capitalization of Free Reserves	Mrs. Parvathi Devi Garapati	5000
						Mr. Radhakrishna Garapati	96,51,300

- The Company has never allotted any Equity Shares 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 stated in the Draft Prospectus.
- Except as stated below, no Equity shares have been issued at price below Issue price within last one year from the date of the Draft Prospectus.

Date of Allotment	Allottees	No. of Equity Shares allotted	Face Value (in ₹)	Issue Price (in ₹)	Reason for Allotment	Category of Allottees
October 03, 2016	Mr. Radhakrishna Garapati	96,51,300	10	--	Bonus issue in the ratio of 1:1 (1) Equity Shares for every (1) Equity shares held.	Promoter
	Mrs. Parvathi Devi Garapati	5,000				Promoter Group
Total		96,56,300				

7. Details of Shareholding of Promoter

As on the date of this Draft Prospectus, our Promoter Mr. Radhakrishna Garapati hold 1,93,01,700 Equity Shares of our company. None of the Equity Shares held by our Promoter are subject to any pledge.

Set forth below is the build-up of the shareholding of our Promoter in our Company since incorporation and proposed marking of lock-in to the said shareholding.

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 Shareholding %	Lock-in Period	Source of Funds
Mr. Radhakrishna Garapati								
April 01,2005	5,000	10	10	Subscriber to MOA	0.03	0.02	1 Year	Own Fund
April 01, 2006	6,36,300	10	10	Allotment	3.29	2.65	1 Year	Own Fund
	73,10,000	10	10	Allotment (other than cash)	37.85	30.47	1 Year	--
	17,00,000	10	10	Allotment (other than cash)	8.80	7.09	OFS**	--
October 03, 2016	46,12,800	10	--	Bonus Issue	23.88	19.23	1 Year	--
	50,38,500	10	--	Bonus Issue	26.09	21.00	3 Year	--
October 03, 2016	(900) ⁽ⁱ⁾	10	20	Transfer	0.00	0.00	--	--

*None of the Shares has been pledged by our Promoter

** The offer for sale by Mr. Radhakrishna Garapati (“Selling Shareholder”) for 17,00,000 shares authorized by his authorization letter dated November 23, 2016

(i) Details of Transfer of Equity Shares of Mr. Radhakrishna Garapati dated October 03, 2016

S. No.	Date of Transfer	Name of Transferor	No. of Shares Transferred	Name of Transferee
1	October 03, 2016	Radhakrishna Garapati	100	G V Ram Mohan
2			100	G Himabindu Sree
3			100	Ch. Prasad Verma Raju
4			100	C.R.R. Vishnu Kumar
5			100	B. Srinivasa Rao
6			100	J. Murali
7			100	G. Rama Raju
8			100	G. Naga Pushyami
9			100	G. V. Lalith Lochaan
Total			900	

(ii) Our Promoter has confirmed to our Company and the Lead Manager that the Equity Shares held by our Promoter have been financed from his personal funds.

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

Sr. No.	Name of the Promoter	No. of Shares held	Average cost of Acquisition (in ₹)
1.	Mr. Radhakrishna Garapati	19301700	5.00

9. Shareholding of Promoter and Promoter Group

Following are the details of the 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
	Promoter				
1	Mr. Radhakrishna Garapati	19301700	99.94	17601700	73.37
	Sub Total (A)	19301700	99.94	17601700	73.37
	Promoter Group				
2	Parvathi Devi Garapati	10000	0.06	10000	0.04
3	G Himabindu Sree	100	0.00	100	0.00
4	G. Naga Pushyami	100	0.00	100	0.00
	Sub Total (B)	10200	0.06	10200	0.04
	GRAND TOTAL (A+B)	19311900	100.00	17611900	73.41

10. Except as provided below, there are no Equity 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 Draft Prospectus:

Date of Allotment	Name of Shareholder	Party Category	Nature of Transactions	Price	Number of Shares Transacted
October 03, 2016	Mr. Radhakrishna Garapati	Promoter	Bonus Issue	--	96,51,300
	Mrs. Parvathi Devi Garapati	Promoter Group			5,000
October 03, 2016	Mr. Radhakrishna Garapati	Promoter	Transfer	20	(900)
October 03, 2016	G Himabindu Sree	Promoter Group	Acquisition	20	100
	G. Naga Pushyami	Promoter Group	Acquisition	20	100

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

Date of Allotment/ Acquisition	Date when made Fully paid up	No. of shares Allotted/Acquired	Face Value	Issue Price/ Acquisition Price	Nature of Allotment	% Pre-Issue paid up capital (in shares)	% Post issue paid up capital (in shares)	Lock-In Period
Mr. Radhakrishna Garapati								
October 03, 2016	October 03, 2016	50,38,500	10	--	Bonus issue	26.09	21.00	3 Years
GRAND TOTAL		50,38,500				26.09	21.00	

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 Promoter, 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 Promoter, **Mr. Radhakrishna Garapati** have, by a written undertaking, consented to have 50,38,500 Equity Shares held by him respectively to be locked in as Minimum Promoters Contribution for a period of three years from the date of allotment in this Issue and these locked-in shares will not be disposed / sold / transferred by the Promoter during the period starting from the date of filing the Draft Prospectus with NSE EMERGE till the date of commencement of lock-in period as stated in the Draft Prospectus. The Equity Shares under the Promoters contribution will constitute 21.00% of our post-issue paid up share capital.

Our Promoter 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. Hence Eligible
33 (1) (a) (ii)	Specified securities acquired during the preceding three years, resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the issuer or from bonus issue against Equity Shares which are ineligible for minimum promoters' contribution	The minimum Promoter's contribution does not consist of such Equity Shares. Hence Eligible
33 (1) (b)	Specified securities acquired by Promoter during the preceding one year at a price lower than the price at which specified securities are being offered to public in the initial public offer	The minimum Promoter's contribution does not consist of such Equity Shares. Hence Eligible.
33 (1) (c)	Specified securities allotted to Promoter 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 Promoter of the issuer and there is no change in the management: Provided that specified securities, allotted to Promoter against capital existing in such firms for a period of more than one year on a continuous basis, shall be eligible	The minimum Promoter's contribution does not consist of such Equity Shares. Hence Eligible.
33 (1) (d)	Specified securities pledged with any creditor.	Our Promoter have not Pledged any shares with any creditors. Accordingly, the minimum Promoter's contribution does not consist of such Equity Shares. Hence Eligible.

Details of Promoters' Contribution Locked-in for One Year

In terms of Regulation 36(b) and 37 of the SEBI ICDR Regulations, in addition to the Minimum Promoters contribution which is locked in for three years, as specified above, and except for the shares being offered under 'Offer for Sale', the entire pre-issue equity share capital of our promoter constituting 1,25,74,100 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 Promoter, 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 Promoter 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 Promoter may be transferred to and amongst the Promoter Group or to new Promoter or persons in control of the Issuer subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

12. Shareholding Pattern of the Company

The table below represents the shareholding pattern of our Company in accordance with Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as on the date of this Draft 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	No. of shares underlying Depository Receipt	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C 2)	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	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.	As a % of total Shares held	No. (a)		As a % of total Shares held (b)
								Class Equity Shares of Rs.10/- each^	Classes	Total								
I	II	III	IV	V	VI	VII = IV+V+VI	VIII	IX			X	XI=VII+X	XII	XIII	XIV			
(A)	Promoter & Promoter Group	4	19311900	-	-	19311900	100.00	19311900	-	19311900	100	-	100.00	-	-	[•]		
(B)	Public	7	700	-	-	700	00.00	700	-	700	0.00	-	0.00	-	-	[•]		
(C)	Non Promoter-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
(C1)	Shares underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
(C2)	Shares held by Emp.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	Total	11	19312600	-	-	19312600	100.00	19312600	-	19312600	100	-	100.00	-	-	[•]		

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

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

We are in the process of entering into tripartite agreement with CDSL & NSDL.

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

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

As on the date of the Draft Prospectus, our Company has 11 (Eleven) shareholders.

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

S.No.	Names	Shares Held (Face Value of Rs. 10 each)	% Pre Issue paid up Capital (In Shares)
1.	Mr. Radhakrishna Garapati	19301700	99.95
2.	Mrs. Parvathi Devi Garapati	10000	0.05
3.	G V Ram Mohan	100	0.00
4.	G Himabindu Sree	100	0.00
5.	Ch. Prasad Verma Raju	100	0.00
6.	C.R.R. Vishnu Kumar	100	0.00
7.	B. Srinivasa Rao	100	0.00
8.	J. Murali	100	0.00
9.	G. Rama Raju	100	0.00
10.	G. Naga Pushyami	100	0.00
11.	G. V. Lalith Lochaan	100	0.00
	Total	19312600	100.00

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

S.No.	Names	Shares Held (Face Value of Rs. 10 each)	% Pre Issue paid up Capital (In Shares)
1.	Mr. Radhakrishna Garapati	19301700	99.95
2.	Mrs. Parvathi Devi Garapati	10000	0.05
3.	G V Ram Mohan	100	0.00
4.	G Himabindu Sree	100	0.00
5.	Ch. Prasad Verma Raju	100	0.00
6.	C.R.R. Vishnu Kumar	100	0.00
7.	B. Srinivasa Rao	100	0.00
8.	J. Murali	100	0.00
9.	G. Rama Raju	100	0.00
10.	G. Naga Pushyami	100	0.00
11.	G. V. Lalith Lochaan	100	0.00
	Total	19312600	100.00

c) Particulars of the top ten shareholders two years prior to the date of filing of this Draft 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 Draft Prospectus*
1.	Mr. Radhakrishna Garapati	96,51,300	99.95
2.	Mrs. Parvathi Devi Garapati	5,000	0.05
	Total	96,56,300	100.00

*Details of shares held on November 30, 2014 and percentage held has been calculated based on the paid up capital of our Company as on November 30, 2014.

14. As on the date of Draft Prospectus, there are no public shareholders holding more than 1% of the pre-Issue share capital of our Company.

15. 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 Draft Prospectus by our Promoter or Directors or Promoter Group which in aggregate equals to or is greater than 1% of the pre-Issue share capital of our Company except as stated below:-

Date of Allotment	Nam of Shareholders	No. of Equity Shares allotted	% of Pre-Issue Capital	Subscribed/Acquired/Transfer	Category of Allottees
October 03, 2016	Mr. Radhakrishna Garapati	96,51,300	49.97	Bonus issue	Promoter
	Mrs. Parvathi Devi Garapati	5,000	0.03		Promoter Group
Total		96,56,300			

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. Radhakrishna Garapati	Chairman and Managing Director	19301700
2.	Mrs. Parvathi Devi Garapati	Whole time Director	10,000

17. None of our Promoter, Promoter Group, our Directors and their relatives has entered into any financing arrangement or financed the purchase of the Equity Shares of our Company by any other person during the period of six months immediately preceding the date of filing of the Draft Prospectus.
18. Neither, we nor our Promoter, 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 Draft Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoter 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 Draft Prospectus, the entire Issued, 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 Draft Prospectus, none of the shares held by our Promoter / Promoter 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 Draft 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 Draft 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 10% of the Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to 3 year lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
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. NSE. 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 NSE, SEBI and other regulatory authorities from time to time.
35. As on the date of this Draft 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. There are no Equity Shares against which depository receipts have been issued.
37. Other than the Equity Shares, there is no other class of securities issued by our Company.
38. We have 11 (Eleven) shareholders as on the date of filing of the Draft Prospectus.
39. There are no safety net arrangements for this public issue.
40. As per RBI regulations, OCBs are not allowed to participate in this issue.
41. Except for the Offer for Sale of Equity Shares offered by the selling Shareholder who is also the Promoter of our company, our Promoter and Promoter Group will not participate in this Issue.
42. This Issue is being made through Fixed Price Method.
43. Our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation.
44. No person connected with the Offer 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.

45. We shall ensure that transactions in Equity Shares by the Promoter and members of the Promoter Group, if any, between the date of registering the Prospectus with the RoC and the Issue Closing Date are reported to the Stock Exchanges within 24 hours of such transactions being completed. The Selling Shareholder 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.
46. The details of equity shares being offered for sale are as follows:

Name of Selling Shareholder	Numbers of Shares
Mr. Radhakrishna Garapati	17,00,000
Total	17,00,000

OBJECTS OF THE ISSUE

The Issue includes a fresh Issue of 46,80,000 Equity Shares of our Company at an Issue Price of [●] per Equity Share and an Offer for Sale for 17,00,000 equity shares of our Company at an Issue Price of [●] 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 utilized 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 NSE (“NSE EMERGE”). 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 civil construction. 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.

Requirement of Funds:-

The following table summarizes the requirement of funds:

S.No	Particulars	Amt (₹ in Lacs)
1.	To Meet Working Capital Requirement	[●]
2.	Public Issue Expenses	[●]
3.	General Corporate Expenses	[●]
	Gross Issue Proceeds	[●]
	Less: Issue Expenses	[●]
	Net Issue Proceeds	[●]

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	[●]
2.	General Corporate Expenses	[●]
	Total	[●]

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

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

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

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

In case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing objects, if required. In case of delays in raising funds from the Issue, our Company may deploy certain amounts towards any of the above mentioned Objects through a combination of Internal Accruals or Unsecured Loans (Bridge Financing) and in such case the Funds raised shall be utilized towards repayment of such Unsecured Loans or recouping of Internal Accruals. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds.

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 Draft 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 16 of the Draft Prospectus.

Details of Use of Issue Proceeds:

1. To Meet Working Capital Requirement

Our business is working capital intensive as the capital is invested in construction of projects. The Company will meet the requirement to the extent of ₹ [●] 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:

S. No.	Particulars	Actual (Restated)	Actual (Restated)	Provisional	Estimated
		31-March-15	31-March-16	31-March-17	31- March-18
I	Current Assets				
	Inventories	1640.42	4794.81	[●]	[●]
	Trade receivables	1491.90	1914.53	[●]	[●]
	Cash and cash equivalents	439.56	2372.79	[●]	[●]
	Short Term Loans and Advances	360.01	666.17	[●]	[●]
	Other Current Assets	241.03	378.30	[●]	[●]
	Total(A)	4172.92	10126.60	[●]	[●]
II	Current Liabilities				
	Trade payables	1009.08	1939.74	[●]	[●]
	Short Term Provisions	157.61	235.21	[●]	[●]

(₹ In Lacs)

	Other Current Liabilities	1362.78	5211.03	[●]	[●]
	Total (B)	2529.47	7385.98	[●]	[●]
III	Total Working Capital Gap (A-B)	1643.45	2740.62	[●]	[●]
IV	Funding Pattern				
	Short term borrowing & Internal Accruals	1643.45	2740.62	[●]	[●]
	IPO Proceeds				[●]

Justification:

S. No.	Particulars
Debtors	We expect Debtors holding days to be at [●] Days for FY 2017-18 based on increased sales of services and better credit Management policies ensuring timely recovery of dues.
Creditors	We expect Creditors payments days to be [●] days due to reduction in credit period.

2. General Corporate Purposes

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

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that the amount for general corporate purposes, as mentioned in this Draft 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 ₹ [●] which is [●] % of the Issue Size. All the Issue related expenses shall be met out of the proceeds of the Issue and the break-up of the same is as follows:

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

Activity	(Rs .in Lacs)*
Payment to Merchant Banker including underwriting and selling commissions, brokerages, payment to other intermediaries such as Legal Advisors, Registrars, etc*	[●]
Printing and Stationery and postage expenses	[●]
Advertising and Marketing expenses	[●]
Statutory expenses	[●]
Total Estimated Issue Expenses	[●]

*Included Commission/ processing fees for SCSB, Brokerage and selling commission for Registered Brokers, RTA's and CDPs

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. 16-17	F.Y. 17-18
1.	To Meet Working Capital Requirement	[●]	[●]
2.	General Corporate Purpose	[●]	[●]
	Total	[●]	[●]

Funds Deployed and Source of Funds Deployed:

Our Statutory Auditors M/s Rama Subba Rao & Co., Chartered Accountants vide their certificate dated November 22, 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 Lakh)*
Issue Expenses	5.75
Total	5.75

* Amount inclusive of applicable taxes.

Sources of Financing for the Funds Deployed:

Our Statutory Auditors M/s Rama Subba Rao & Co, Chartered Accountants vide their certificate dated November 22, 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 Lakh)*
Internal Accruals	5.75
Total	5.75

* Amount inclusive of applicable taxes.

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 Draft 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 Draft 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 Promoter or controlling Shareholders would be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

Other confirmations

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

BASIC TERMS OF ISSUE

Authority for the Present Issue

Fresh Issue

This Issue in terms of this Draft Prospectus has been authorized by the Board of Directors pursuant to a resolution dated November 25, 2016 and by the shareholders pursuant to a special resolution passed in an Extra Ordinary General Meeting held on December 01, 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 November 25, 2016 and by the shareholders pursuant to a special resolution passed in an Extra Ordinary General Meeting held on December 01, 2016. The Selling Shareholder Mr. Radhakrishna Garapati have authorised the sale of 17,00,000 Equity Shares pursuant to the Offer vide his authorisation letter dated November 23, 2016.

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.

Face Value	Each Equity Share shall have the face value of ₹ 10.00 each.
Issue Price	Each Equity Share is being offered at a price of ₹ [●] each and is [●] times of Face Value.
Market Lot and Trading Lot	The Market lot and Trading lot for the Equity Share is [●] and the multiple of [●]; subject to a minimum allotment of [●] Equity Shares to the successful applicants.
Terms of Payment	100% of the issue price of ₹ [●] each shall be payable on Application. For more details please refer “ <i>Issue Procedure</i> ” beginning to page 210 of this Draft Prospectus.
Ranking of the Equity Shares	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 253 of this Draft 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 unblock 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 201 of this Draft 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 16, page 81 and page 128 respectively of the Draft 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 [●] which is [●] times of the face value.

QUALITATIVE FACTORS

- Focus on enhancing the project execution capabilities
- Capturing the growth potential and government focus on Infrastructural sector.
- Attract and retain talented employee
- Diversify into new geographies

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 81 of the Draft Prospectus.

QUANTITATIVE FACTORS

The information presented below relating to our Company is based on the Restated Financial Statements. For details, please see the section entitled “Financial Information of the Company” on page 128 of this Draft Prospectus.

1. Basic and Diluted Earnings per Share (“EPS”), as adjusted for change in capital on Standalone basis:

Period	Basic & Diluted (₹)	Weights
FY 2013-14	0.56	1
FY 2014-15	1.02	2
FY 2015-16	1.65	3
Weighted Average	1.26	
For six months ended September 30, 2016	1.90	

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 [●]:

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

Peer Group P/ E*

S. No	Particulars	P/E
1	Highest (Man Infraconstruction Limited)	63.54
2	Lowest (Gammon India Limited)	1.72
	Industry Composite	22.85

*Source: Ace Equity dated October 26, 2016 / Construction & Infrastructure

3. Return on Net worth (RoNW)*

S. No	Period	RONW (%)	Weights
1.	FY 2013-14	5.24%	1
2.	FY 2014-15	8.74%	2
3.	FY 2015-16	12.46%	3
	Weighted Average	10.02%	
	For Six Month ended September 30, 2016	12.54%	

*Restated Profit after tax/Net Worth

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 ₹ 1.65 at the Issue Price of [●]:
- [●] on the restated financial statements.
- (b) Based on Weighted Average Basic and Diluted EPS, as adjusted of ₹ 1.90 at the Issue Price of [●]:
- [●] on the restated financial statements.

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

Sr. No.	As at	NAV (₹)*
1.	March 31, 2014	21.25
2.	March 31, 2015	23.23
3.	March 31, 2016	26.54
4.	As on September 30, 2016	30.35
5.	NAV after Issue	[●]
	Issue Price	[●]

*Not adjusted for Bonus Issue.

6. Comparison of Accounting Ratios with Industry Peers¹

S. No.	Name of Company	Face Value (₹)	EPS (₹)	PE	RoNW (%)	NAV per Share (₹)
1.	Gammon Infrastructure Projects Ltd.	2	0.66	7.44	7.05%	9.35
2.	Larsen & Toubro Ltd.	2	54.64	27.17	11.43%	477.73
3.	RKEC Projects Limited ²	10	1.65 ³	[●] ⁴	12.46%	26.54

¹ *Source: Ace Equity dated October 26, 2016 / Construction & Infrastructure

² Based on March 31, 2016 restated financial statements

³ Basic & Diluted Earnings per share (EPS), as adjusted

⁴ Price Earning (P/E) Ratio in relation to the Issue Price of [●]

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

7. The face value of our shares is ₹ 10.00 per share and the Issue Price is of [●] per share is [●] times of the face value.
8. Our Company in consultation with the Lead Manager believes that the Issue Price of [●] per share for the Public Issue is justified in view of the above parameters. The investors may also want to peruse the risk factors and financials of the Company including important profitability and return ratios, as set out in the 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 81, 16 and 128 respectively including important profitability and return ratios, as set out in "Annexure P – Statement of Mandatory Accounting Ratios" to the Financial Information of the Company on page 155 of the Draft Prospectus to have a more informed view.

STATEMENT OF TAX BENEFITS

To,
The Board of Directors,
RKEC Projects Limited
(Formerly known as RKEC Projects Private Limited)
Door No. 10-12-1, Rednam Alcazar,
Opp. SBI Main Branch, Rednam Gardens, Visakhapatnam 530020

Dear Sir,

Sub: Statement of Possible Tax Benefits ('The Statement') available to RKEC Projects 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 RKEC Projects Limited, states the possible special Tax benefits available to RKEC Projects 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 Rama Subba Rao & Co.
Chartered Accountants
Firm Registration No. 28555**

**(K Subrahmanyeshwara Rao)
Partner
Membership No. 209688**

**Date: 22 November 2016
Place: Vishakhapatnam**

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.

A. SPECIAL TAX BENEFITS TO THE COMPANY

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

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER

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

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 OUR COMPANY

INDUSTRY OVERVIEW

The information in this section is derived from various websites, reports from various government agencies, market research reports and other publicly available sources. This data may have been reclassified by us for the purpose of presentation. Neither we nor any other person connected with the Issue has verified this information. Industry sources and publications are also prepared based on the information as of specific date may no longer be current or reflect current trends. Industry reports and publications generally state that their accuracy, adequacy or completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and investment decisions should not be based on such information. Accordingly, prospective investors are advised not to unduly rely on the information in this section when making their investment decisions.

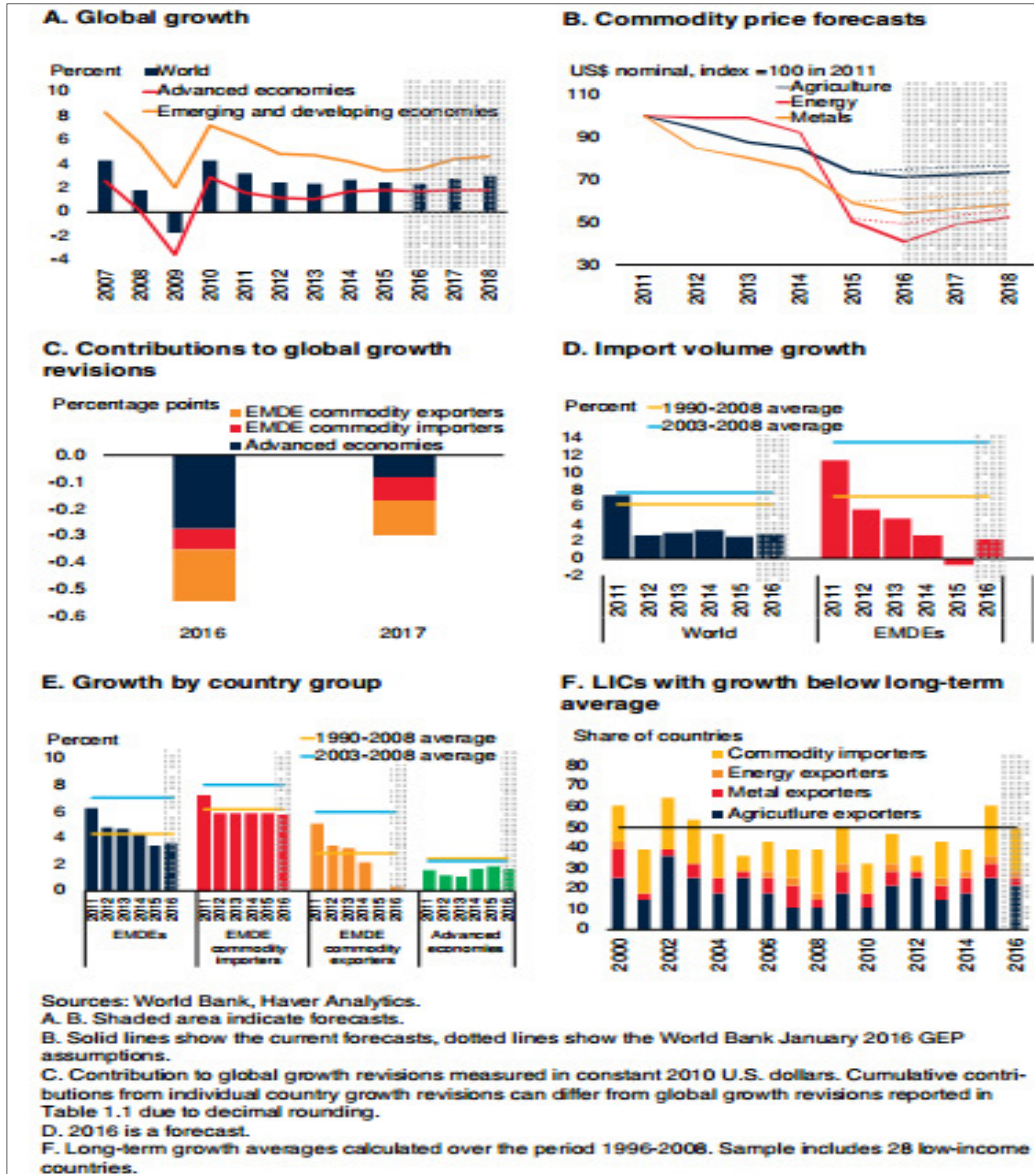
Global Outlook

Growth prospects have weakened throughout the world economy. Global growth for 2016 is projected at 2.4 percent, unchanged from the disappointing pace of 2015 and 0.5 percentage point below the January forecast. Emerging market and developing economies (EMDEs) are facing stronger headwinds, including weaker growth among advanced economies and persistently low commodity prices, as well as lackluster global trade and capital flows. Divergences between commodity exporters and importers persist. Conditions remain markedly challenging for commodity exporters, which continue to struggle to adjust to the new era of depressed prices. In contrast, commodity importers are showing greater resilience to headwinds, although the expected growth windfall from low energy prices has been surprisingly modest. Global growth is projected to pick up slowly to 3.0 percent by 2018, as stabilizing commodity prices provide support to commodity exporting EMDEs. Downside risks have become more pronounced. These include deteriorating conditions among key commodity exporters, softer-than expected activity in advanced economies, rising private sector debt in some large emerging markets, and heightened policy and geopolitical uncertainties. While policy space for monetary and fiscal stimulus is narrow, structural reforms could boost growth both in the short and the long term.

Advanced economies are expected to expand by 1.7 percent in 2016, 0.5 percentage point below January projections. Investment continues to be soft amid weaker growth prospects and elevated policy uncertainty, while export growth has slowed reflecting subdued external demand. Despite an expected boost from lower energy prices, and the ongoing improvement in labor markets, growth is projected to level off in 2016 rather than accelerate.

EMDEs started 2016 with weaker manufacturing activity. Investment growth has also slowed substantially, especially in commodity exporters, partly reflecting tightened domestic policies and weak capital inflows. In China, a gradual domestic rebalancing is under way, with robust growth in services and policy support measures mitigating the slowdown in industrial activity. Brazil and the Russian Federation are still mired in recession. Global merchandise trade remains subdued, reflecting rebalancing in China and weaker demand from commodity exporters, which together contributed to an outright contraction in overall EMDE merchandise imports in 2015.

(Source - <http://pubdocs.worldbank.org/en/842861463605615468/Global-Economic-Prospect-2016-Divergences-and-risks.pdf>)



Uncertainty in the Aftermath of the U.K. Referendum

Before the June 23 vote in the United Kingdom in favor of leaving the European Union, economic data and financial market developments suggested that the global economy was evolving broadly as forecast in the April 2016 World Economic Outlook (WEO). Growth in most advanced economies remained lackluster, with low potential growth and a gradual closing of output gaps. Prospects remained diverse across emerging market and developing economies; with some improvement for a few large emerging markets “in particular Brazil and Russia” pointing to a modest upward revision to 2017 global growth relative to April’s forecast.

The outcome of the U.K. vote, which surprised global financial markets, implies the materialization of an important downside risk for the world economy. As a result, the global outlook for 2016-17 has worsened, despite the better-than-expected performance in early 2016. This deterioration reflects the expected macroeconomic consequences of a sizable increase in uncertainty, including on the political front. This uncertainty is projected to take a toll on confidence and investment, including through its repercussions on financial conditions and market sentiment more generally. The initial financial market reaction was severe but generally orderly. As of mid-July, the pound has

weakened by about 10 percent; despite some rebound, equity prices are lower in some sectors, especially for European banks; and yields on safe assets have declined.

With “Brexit” still very much unfolding, the extent of uncertainty complicates the already difficult task of macroeconomic forecasting. The baseline global growth forecast has been revised down modestly relative to the April 2016 WEO (by 0.1 percentage points for 2016 and 2017, as compared to a 0.1 percentage point upward revision for 2017 envisaged pre-Brexit). Brexit-related revisions are concentrated in advanced European economies, with a relatively muted impact elsewhere, including in the United States and China.

(Source - <https://www.imf.org/external/pubs/ft/weo/2016/update/02/pdf/0716.pdf>)

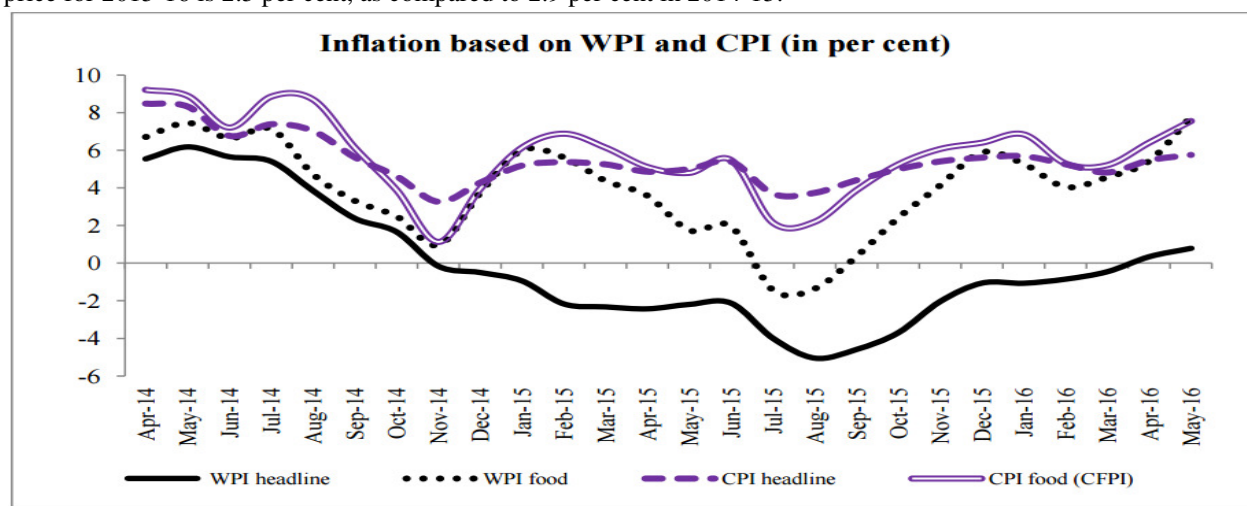
Indian Economy Overview

As per the provisional estimates of national income released by Central Statistics Office on 31st May 2016, the growth rate of Gross Domestic Product (GDP) at constant (2011-12) prices for the year 2015-16 is estimated at 7.6 per cent as compared to the growth of 7.2 per cent in 2014- 15 (Table 1). The growth in Gross Value Added (GVA) at constant (2011-12) basic prices for the year 2015-16 is estimated at 7.2 per cent as compared to the growth of 7.1 per cent in 2014-15. At the sectoral level, the growth rate of GVA at constant (2011-12) basic prices for agriculture & allied sectors, industry and services sectors for the year 2015-16 are estimated at 1.2 per cent, 7.4 per cent, and 8.9 per cent respectively . The growth in GDP in Q4 of 2015-16 (January-March) is estimated at 7.9 per cent as compared to the growth of 6.7 per cent in the corresponding quarter of 2014-15. GDP Growth during the first three quarters of 2015-16 was 7.5 per cent, 7.6 per cent and 7.2 per cent respectively. The WPI headline inflation increased to 0.8 per cent in May 2016 from 0.3 per cent in April 2016. The CPI headline inflation increased to 5.8 per cent in May 2016 from 5.5 per cent in April 2016.

Merchandise exports and imports declined by 0.8 per cent and 13.2 per cent (in US dollar terms) respectively in May 2016 over May 2015. During May 2016, oil imports and non-oil imports declined by 30.5 per cent and 7.1 per cent over May 2015.

Foreign Exchange Reserves stood at US\$ 360.2 billion as on 27th May 2016 the same level as on the end March 2016. The rupee depreciated against the US dollar , Pound sterling, Japanese Yen and Euro by 0.7 per cent, 2.0 per cent, 1.3 per cent and 0.4 per cent respectively in May 2016 over the previous month of April 2016.

The Provisional actual of the fiscal deficit as per cent of GDP at current market price for 2015-16 is 3.9 per cent as compared to 4.1 per cent in 2014-15. The Provisional actual for revenue deficit as per cent of GDP at current market price for 2015-16 is 2.5 per cent, as compared to 2.9 per cent in 2014-15.



(Source- http://www.finmin.nic.in/stats_data/monthly_economic_report/2016/indmay16.pdf)

With 1.2 billion people and the world’s fourth-largest economy, India’s recent growth and development has been one of the most significant achievements of our times. Over the six and half decades since independence, the country has brought about a landmark agricultural revolution that has transformed the nation from chronic dependence on grain

imports into a global agricultural powerhouse that is now a net exporter of food. Life expectancy has more than doubled, literacy rates have quadrupled, health conditions have improved, and a sizeable middle class has emerged. India is now home to globally recognized companies in pharmaceuticals and steel and information and space technologies, and a growing voice on the international stage that is more in keeping with its enormous size and potential.

Historic changes are unfolding, unleashing a host of new opportunities to forge a 21st-century nation. India will soon have the largest and youngest workforce the world has ever seen. At the same time, the country is in the midst of a massive wave of urbanization as some 10 million people move to towns and cities each year in search of jobs and opportunity. It is the largest rural-urban migration of this century.

The historic changes unfolding have placed the country at a unique juncture. How India develops its significant human potential and lays down new models for the growth of its burgeoning towns and cities will largely determine the shape of the future for the country and its people in the years to come.

Massive investments will be needed to create the jobs, housing, and infrastructure to meet soaring aspirations and make towns and cities more livable and green. Generating growth that lifts all boats will be key, for more than 400 million of India's people—or one-third of the world's poor—still live in poverty. And, many of those who have recently escaped poverty (53 million people between 2005-10 alone) are still highly vulnerable to falling back into it. In fact, due to population growth, the absolute number of poor people in some of India's poorest states actually increased during the last decade.

Inequity in all dimensions, including region, caste and gender, will need to be addressed. Poverty rates in India's poorest states are three to four times higher than those in the more advanced states. While India's average annual per capita income was \$1,410 in 2011—placing it among the poorest of the world's middle-income countries—it was just \$436 in Uttar Pradesh (which has more people than Brazil) and only \$294 in Bihar, one of India's poorest states. Disadvantaged groups will need to be brought into the mainstream to reap the benefits of economic growth, and women—who “hold up half the sky”—empowered to take their rightful place in the socioeconomic fabric of the country.

Fostering greater levels of education and skills will be critical to promote prosperity in a rapidly globalizing world. However, while primary education has largely been universalized, learning outcomes remain low. Less than 10 percent of the working-age population has completed a secondary education, and too many secondary graduates do not have the knowledge and skills to compete in today's changing job market.

Improving health care will be equally important. Although India's health indicators have improved, maternal and child mortality rates remain high and, in some states, are comparable to those in the world's poorest countries. Of particular concern is the nutrition of India's children whose well-being will determine the extent of India's much-awaited demographic dividend; at present, an overwhelming 40 percent (217 million) of the world's malnourished children are in India.

The country's infrastructure needs are massive. One in three rural people lack access to an all-weather road, and only one in five national highways is four-lane. Ports and airports have inadequate capacity, and trains move very slowly. An estimated 300 million people are not connected to the national electrical grid, and those who are face frequent disruptions. And, the manufacturing sector—vital for job creation—remains small and underdeveloped.

Nonetheless, a number of India's states are pioneering bold new initiatives to tackle many of India's long-standing challenges and are making great strides towards inclusive growth. Their successes are leading the way forward for the rest of the country, indicating what can be achieved if the poorer states were to learn from their more prosperous counterparts.

India now has that rare window of opportunity to improve the quality of life for its 1.2 billion citizens and lay the foundations for a truly prosperous future—a future that will impact the country and its people for generations to come. (Source- www.worldbank.org/en/country/india/overview)

Overview of the Construction industry

Construction activity creates physical assets in a number of sectors of the economy. Construction sector has two key segments: (i) Buildings, falling into one of the following categories: residential, commercial, institutional and industrial; and (ii) Infrastructure such as road, rail, dams, canals, airports, power systems, telecommunication systems, urban infrastructure including water supply, sewerage, and drainage and rural infrastructure. Assets once created also need to be maintained. Many upstream economic activities depend upon the construction sector. It is roughly estimated that 40–45 per cent of steel; 85 per cent of paint; 65–70 per cent of glass and significant portions of the output from automotive, mining and excavation equipment industries are used in the construction industry.

Construction accounts for nearly 60–80 per cent of the of project cost of roads and housing and a significant portion in case of other infrastructure sectors. Construction materials such as cement and steel, bricks and tiles, sands and aggregates, fixtures and fittings, paints and chemicals, petrol and other petro-products, timber, minerals, aluminium, glass and plastics account for nearly two-third of the construction costs. The forward and backward multiplier impact of the construction industry is significant.

The Construction sector has been contributing around 8 per cent to the nation's GDP (at constant prices) in the last five years (2006–07 to 2010–11). GDP from Construction at factor cost (at constant prices) increased to Rs. 3.85 Lakh crore (7.9 per cent of the total GDP) in 2010–11 from Rs. 2.85 Lakh crore (8 per cent of the total GDP) in 2006–07. The growth in construction sector in GDP has primarily been on account of increased spending on physical infrastructure in the last few years through programmes such as National Highway Development (NHDP) and PMGSY/Bharat Nirman.

Major developments in the construction sector

Some notable achievements during the previous plan periods have been:

- Construction Sector was declared as an industrial concern under the IDBI Act in March 2000 in order to increase the flow of institutional credit to the sector.
- Implementation of national Human Resource Development (HRD) initiatives in the non-formal sector, including the workers' level to the upper levels of engineering and managerial categories.
- Setting up of the Arbitral Institutions for resolution of business disputes in construction industry.
- Obtaining state-of-the-art global technology through strategic association between industry, government and international bodies
- Effective dissemination of information, regarding good work practices, and development of an action frame work for quality and safety audits, assessment and certification as well as training of man-power both for practice and research.
- Electronic tendering process, online publishing of tender notices and related procedures are becoming more and more common.
- Setting up of models of public-private partnership in construction activity.
- Development of consultancy and advisory services in the areas of project and construction management, procurement services, regulatory issues, and technology. Institutional Arbitration has taken firm root with the operationalisation of Construction Industry Arbitration Council. Nineteen cases have been undertaken so far.
- Specialized institution (Construction Industry Vocational Training Council) was set up at the national level to provide training to vocational and supervisory trades of the construction industry.
- Safety record of the industry has shown improvement. The accident frequency rate in 2011 declined to 0.006 accidents per million man-hours worked from 0.009 in 2007. This is due to professionalization of big contractors.

Key drivers of growth of construction industry

Forecasts for the market size of construction industry for the Twelfth Plan period indicate that the aggregate output of the industry during the period 2012–13 to 2016–2017 is likely to be Rs.52.31 Lakh crores increasing from Rs. 7.67 Lakh crores in 2012–13 to Rs. 13.59 Lakh crores in 2016–17. As noted earlier, growth in construction industry is linked to the growth in the infrastructure sector and the building industry. The output of the industry is likely to be

contributed almost equally by the buildings and infrastructure segments respectively. The thrust on capacity expansion in the infrastructure sector will continue in the Twelfth Plan.

Apart from steady growth in construction related to industrial buildings, the industry catering to commercial real estate in the non-residential sector is likely to grow at an accelerated pace due to a vibrant and growing service industry such as IT and related sectors, hospitality and tourism industry and logistics services. The real estate sector faces challenges despite strong growth in the past. The current trend in real estate market is that after making investments in land, the project construction is mainly retail financed, that is, through advances or milestone based payments from owners. In affordable housing projects retail financing would be a challenge as the ability of the retail investors would be very limited. This issue becomes more significant in the category of affordable housing for low income group and economically and weaker segments of the society.

Even though the construction sector is attracting both domestic (gross bank credit) as well as foreign direct investment, more resources are needed for the sector to fulfill the ever rising pressures of enhancing the housing and infrastructure sectors in the country. The cumulative FDI inflows from April 2000 to August 2011 into construction activities stood at around US\$ 9,417 million or Rs. 42,072 crore, which is nearly 6 per cent of the total cumulative FDI inflow into the country during same period.

(Source- www.planningcommission.gov.in/plans/planrel/12thplan/pdf/12fyp_vol2.pdf)

	GVA (per cent)			GCF (per cent)	
	2013-14	2014-15 [#]	2015-16 [#]	2013-14	2014-15 [#]
Total Services	50.9(7.8)	52.6(10.3)	53.3 (9.2)	56.5(5.1)	58.3(8.7)
Trade, repair, hotels and restaurants	11.5(7.2)	11.8(10.7)	18.6 (9.5)*	7.4(-26.9)	8.9(25.0)
<i>Trade & repair services</i>	10.5(7.7)	10.7(10.8)	NA	6.7(-28.4)	7.5(18.9)
<i>Hotels & restaurants</i>	1.0(2.4)	1.1(9.5)	NA	0.8(-10.6)	1.3(77.2)
Transport, storage, communication & services related to broadcasting	6.7(8.7)	6.9(8.4)	NA	8.9(24.2)	8.9(4.8)
<i>Railways</i>	0.8(6.0)	0.8(7.7)	NA	1.2(6.9)	1.4(22.4)
<i>Road transport</i>	3.2(6.2)	3.2(6.3)	NA	1.8(-46.4)	0.8(-50.4)
<i>Air transport</i>	0.1(8.7)	0.2(12.8)	NA	0.1(-16.1)	0.2(94.1)
Financial services	5.8(4.8)	5.7(7.9)	20.6(10.3)^	0.9(-3.4)	1.2(35.3)
Real estate, ownership of dwelling & professional services	14.3(12.5)	14.9(11.8)	NA	25.3(7.2)	23.8 (-1.0)
Public administration and defence	5.9(3.2)	6.2(9.8)	14.1 (6.9)@	8.6(14.9)	9.9(21.2)
Other services	6.7(5.6)	7.2(11.4)	NA	5.3(19.0)	5.7(14.0)
Construction	9.0(4.6)	8.8(4.4)	8.2 (3.7)	5.4(-28)	5.4(4.6)
Total services (+ construction)	59.8(7.3)	61.4(9.4)	61.5 (8.4)	62.0(1.0)	63.7(8.4)
TOTAL (All Sectors)	100.0(6.3)	100.0(7.1)	100.0 (7.3)	100(2.1)	100(5.6)
GDP (market price constant 2011-12)	(6.6)	(7.2)	(7.6)		

Source: Computed from CSO data.

Notes: Shares are in current prices and growth in constant 2011-12 prices; Figures in parentheses indicate growth rate;

⊗First RE; #AE for 2015-16; * Also includes transport, storage, communication & services related to broadcasting;

^ Also includes real estate and professional services; @ Also includes other services.

Table 1.2: Growth in GDP and Major Sectors (in per cent)			
Sector	2013-14 (2R)	2014-15 (1R)	2015-16 (AE)
Agriculture, forestry and fishing	4.2	-0.2	1.1
Industry	5.0	5.9	7.3
Mining and quarrying	3.0	10.8	6.9
Manufacturing	5.6	5.5	9.5
Electricity, gas, water supply, etc.	4.7	8.0	5.9
Construction	4.6	4.4	3.7
Services	7.8	10.3	9.2
Trade, hotels, transport and communication	7.8	9.8	9.5
Financing, real estate, professional services, etc.	10.1	10.6	10.3
Public administration, defence and other services	4.5	10.7	6.9
GVA at constant basic prices	6.3	7.1	7.3
GDP at constant market prices	6.6	7.2	7.6

Source: Based on data from CSO.

(Source- <http://indiabudget.nic.in/es2015-16/echapter-vol2.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 Draft 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 16, 163 & 128 respectively of this Draft 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 “RKEC”, “RKEC Projects Limited”, ‘the Company’, ‘our Company’ and ‘the Issuer’ and the terms ‘we’, ‘us’ and ‘our’, are to RKEC Projects Limited.

OVERVIEW

We are a construction company primarily engaged in the business of Civil Construction such as construction of Highways, roads and bridges. During the last decade, we have undertaken and successfully completed many construction projects in India covering states of Andhra Pradesh, Tamil Nadu, Gujarat, Odisha, Rajasthan and Maharashtra. In addition to them, we have expanded our presence to three more states, Kerala, Uttar Pradesh and Manipur, with our ongoing projects. We have been able to achieve our targets by fusing tremendous engineering knowledge with groundbreaking skills, experienced team, binding an optimum mix of men, machine and materials across diverse projects.

Our core business is designing and undertaking construction projects such as Bridges, Ports, dams, high-rise structures, airports, cross water, roads, highways, Oil and gas Pipelines, complexes and environmental structures across India. We have attained good reputation among our clients because of our track record, experienced members and a proven strength on delivery norms across its all spectrum of services. We have entered into projects for diverse range of clients including Defence sector, Railways, Ports, Adani Port, Vedanta Ltd, IVRCL Limited, Rashtriya Ispat Nigam Limited and ESSAR.

Our company was incorporated as “RKEC Projects Private Limited” at Visakhapatnam, Andhra Pradesh as a private limited company under the provision of the Companies Act 1956 vide a certificate of incorporation dated April 01, 2005 bearing corporate identification number U45200AP2005PTC45795 issued by the Registrar of Companies, Andhra Pradesh, Hyderabad. After incorporation our company took over the running business of “RK Engineers & Contractors” a proprietorship concern of our promoter Mr. Radhakrishna Garapati, engaged in the business of civil engineering and construction work. Subsequently, the name of our company was changed to “RKEC Projects Limited” upon conversion of the company into a public limited company pursuant to the shareholders resolution passed in the Extra-ordinary General Meeting held on October 31, 2016 and our company was converted into public limited company vide a Fresh certificate of incorporation issued on November 10, 2016 by the Registrar of Companies, Hyderabad.

Our promoter Mr. Radhakrishna Garapati holds a Bachelor’s Degree in Mechanical Engineering from Andhra University & has over three decades of experience in the construction sector. Our Promoter along with his qualified team members focus on timely completion of the projects undertaken by the company and acknowledges that projects are critical to the continued growth and success of the Company. Under the leadership of our Promoter we have developed our own fleet of Construction Equipment for earth work, piling and marine works, civil works and bridges.

For the period ended September 30, 2016 and for year ended on March 31, 2016, fiscal 2015 and fiscal 2014 our total revenue was 8367.93 Lakhs, 11350.56 Lakhs, 7174.68 Lakhs & 5864.01 Lakhs respectively. Further, our EBT for the six months period ended September 30, 2016 and for the twelve month ended March 31, 2016, fiscal 2015 and fiscal 2014 were 555.30 Lakhs, 517.17 Lakhs, 303.75 Lakhs & 225.66 Lakhs respectively.

OUR LOCATION:-

Registered Office	Door No. 10-12-1, Rednam Alcazar, 3rd Floor, Opp SBI Main Branch, Old Jail Road, Rednam Gardens, Visakhapatnam Andhra Pradesh - 530020 India.
Stock Yard	Plot No. 38, Block - D, S.No. 89, Autonagar, Gajuwaka, Visakhapatnam.

For details relating to our industry, past trends, future prospects etc., please refer to Chapter titled “Industry Overview” beginning on page 74 of this Draft Prospectus.

OUR MAJOR BUSINESS SEGMENT & PROJECTS CARRIED BY US

1. Bridge Construction Work

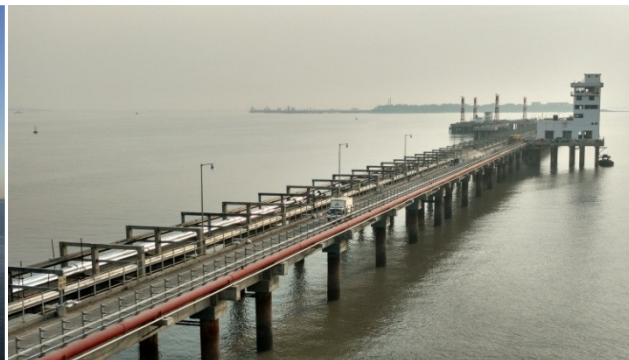
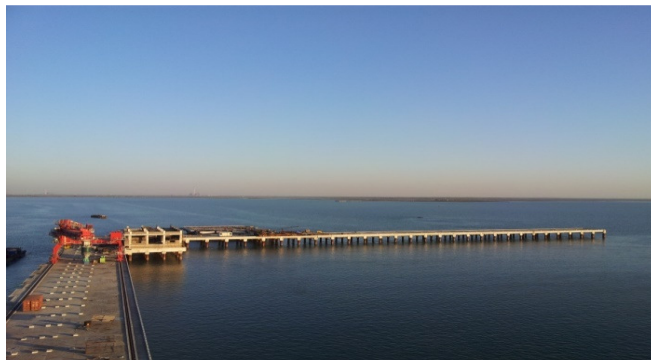
We have completed major works consisting of Construction of Bridge No 63 (Open web girder) & No. 66 (PSC Slab) at delang-Puri Section of KUR Division in Between Km. 482.40 to 499.18, Construction of major bridge on river Beas. We constructed a parallel bridge at Naval Dock Yard, Visakhapatnam and a major bridge on Tuni-Dharmavaram section on NH5 and a railway bridge in the same general area. We have also carried piling works from 400mm to 1500mm diameter in reclaimed soils, river beds, hard rocks, under water works for National Highway Authority of India and East Coast Railways in the construction of Major and Minor bridges.



Major Bridge at Km.412.218 (Bridge No.413/1) Across River Beas Improvement of Movement Network in Nanded City

2. Marine Work

We have executed major marine works consisting of Construction of Second Liquid Chemical/POL Berth Off Pir-Pau, Mumbai for Mumbai Port Trust, Provision of Jetty between N-14 and N-15 (LST Berth N-14A) at Naval Dockyard, Visakhapatnam, for DGNP, Construction of huge water reservoirs, Construction of Product Berths No 1 & 2 including sea water pump house for Essar Oil Limited at Vadinar, Gujarat.



Second Liquid Chemical/POL Berth Off Pir Pau, Mumbai Coal Berth & Approach for Essar at Salaya

3. Road & Building

We have executed framed structures namely Overhauling facilities for M-36 GTs INS EKSILA, Visakhapatnam for DGNP, Pre Engineered Warehouse (PEB structure) alongwith CC paving around warehouse etc. at proposed MMLP at Visakhapatnam for CCIL, Steam repair work shop for Navy, Forming and metalling of peripheral roads at IDA

Vakalapudi for APIIC. We have also constructed a Warehouse with internal roads, culverts, external drains including internal and external electrical works and Augmentation of Dockyard Apprentice School near Naval Dockyard at Visakhapatnam for Director General of Naval Projects.



Overhauling facilities for M-36 GTs INS EKSILA, Visakhapatnam



Steam System Repair Infrastructure at Naval Dockyard, Visakhapatnam

OUR COMPETITIVE STRENGTHS

1. Timely completion of projects

Timely completion of the project as per the schedule and terms of the contract is of utmost important for us. It is very critical for the growth of the organization. We have a good track record for timely completion of projects with minimum cost overruns. Timely completion of projects also helps the organization in reducing the possibilities of any penalty or liquidated damage being imposed upon by the customers. Execution of the projects in time also helps the company in maintaining good reputation among the clients and gaining repeated orders.

2. Experienced Management and Promoter

Our management has the relevant experience of construction technology and project management. Our team also possesses the requisite qualifications and experience in the construction industry. This team is responsible for the growth in our business operations. Our Company led by our Promoter and management has helped us in achieving strong revenue and profit growth over the past several years. Particularly, we benefit from the expertise of our Promoter and Managing Director, Mr. Radhakrishna Garapati holding a Bachelor's Degree in Mechanical Engineering from Andhra University has over three decades of experience in the construction sector.

3. Own fleet of Construction Equipments

We have developed our own fleet of construction equipment for earth work, piling and marine works, civil works and bridges. Our investment in the construction equipments has helped us in mobilizing the man, material and equipment to the project sites as and when the need arises.

4. Long term Relationship with the Clients

Our company focuses on providing the customers with the desired and standard quality of work. By providing the desired quality and standards we aim to achieve highest level of customer satisfaction and procure repeated orders from customers. Because of our good reputation with the clients we have been able to attain orders from a diverse range of client base including Defence Sector, Railways, Ports, NHAI, IVRCL Limited, Rashtriya Ispat Nigam Limited and ESSAR.

OUR BUSINESS STRATEGY

1. Focus on enhancing the project execution capabilities

We intend to continue our focus in enhancing the project execution capabilities so as to derive benefits of client satisfaction by timely completion and improvement in the operating margins. We constantly endeavor to increase our productivity and make fuller utilization of assets by leveraging our operating skill and resources. We intend to continue our focus on performance and project execution in order to achieve maximum return from our resources. Efficient project management and execution will also enable us to gain good reputation among our clients and earn repeated orders from them.

2. Capturing the growth potential and government focus on Infrastructural sector.

Infrastructural growth in India has gained momentum with the reforms and benefits extended by the government. Government have taken various steps for the industrial and infrastructural growth of the country through increased allocation, facilitation of incremental lending to the infrastructural sector and discounted lending rates to infrastructure sectors. We believe that with the increased focus of the government in the infrastructural sector can be a major growth opportunity for our Company.

3. Attract and retain talented employees

Employees are essential for the success of every organization. We rely on them to operate our construction equipment, complete various tasks on our complex construction projects and deliver quality performance to our clients. We constantly intend to continue our focus on improving health, safety and environment for our employees and provide various programs and benefits for the personal well-being and career development of our employees. We intend to strive to further reduce the employee attrition rate and retain more of our skilled workers for our future expansion by providing them with better, safer and healthier working environment.

4. Diversify into new geographies

We plan to continue our strategy of diversifying across states and increase orders from outside of Andhra Pradesh for the growth of our business. To control diversification risks, we may limit our expansion to other states to undertaking projects first in the areas we can deliver high-quality services. Through an increasingly diversified portfolio, we hope to hedge against risks in specific areas or projects and protect us from fluctuations resulting from business concentration in limited geographical areas. With our increased experience and success, however, our rate of expansion may increase in terms of increases in the number of new states and projects we undertake.

SOME OF OUR ESTEEMED PROJECTS EXECUTED/ACCOMPLISHED

S No.	Client	Project details	Value of the Projects (In Rs. Lakhs)
1.	Chief Engineer, Mumbai Port Trust	Re - Construction of Uran Patch Beacon, Elephanta Patch Beacon and construction of Pir Pau Beacon in Mumbai Harbour.	635.62
2.	Director General Naval Project, Visakhapatnam.	Setting up of overhauling facilities for M-36 GTs INSEKSILA, Visakhapatnam	1061.82
3.	East Coast Railway, Bhubaneswar-23	Construction of proposed Major Bridge No.63 (Open web girder) & No. 66 (PSC slab) with pile foundation & RCC substructure, Earthwork, Blanketing, Mechanical compaction etc. in approaches and other allied works in connection with Doubling of Delang-Puri Section of KUR Division in between Km.482.40 to Km. 499.180	1432.89

4.	JNPT	Construction of Mooring Dolphins at Liquid Cargo Jetty at JN Port	871.06
5.	Container Corporation of India Ltd., New Delhi	Construction of Pre Engineered Warehouse (PEB structure) alongwith CC paving around warehouse etc. at proposed MMLP at Visakhapatnam	702.08
6.	Garrison Engineer, AF Station, Thanjavur.	Provision of Compound wall and perimeter road in technical and domestic area (group 'A') at AF station Thanjavur.	1969.54
7.	Director General Naval Project, Visakhapatnam	Construction of SHTIL Preparation hanger At INS Kalinga, Visakhapatnam.	875.35
8.	Rashtriya Ispat Nigam Limited Visakhapatnam Steel Plant	2 Nos of Rain Water Harvesting Ponds, one near VSP Township water treatment plant and other near north of Kanithi Road	237.20
9.	Essar Projects (India) Limited, P.O.Box.7, 44km Jamnagar-361305, Gujarat	Construction of Coal Berth & Approach for Essar Bulk Terminal Salaya Limited.	10000.00
10.	The Executive Engineer (JNNURM) Nanded Waghala City Municipal Corporation, Nanded	Improvement of Movement Network in Nanded City under JNNURM.	5564.24
11.	Dy. Director General and Chief Engineer, DGNP, Visakhapatnam.	Provision of Jetty between N-14 and N-15 (LST Berth N-14A) at Naval Dockyard, Visakhapatnam	6381.32
12.	Director General Naval Project, Naval base, Visakhapatnam	Provision of Additional Storage House at SBC (V)	680.57
13.	Director General Naval Project, Visakhapatnam	Augmentation of Steam System Repair Infrastructure System at NDV	1335.83
14.	Essar Constructions (India) Limited, P.O. Box No.24, Khambhalia, Jamnagar	Construction of Product berth 02 & 03.	1750.44
15.	IVRCL Infrastructures & Projects Limited, M-22, 3RT, Vijayanagar colony, Hyderabad-500057.	Construction of Major Bridge at Km.412.218 (Bridge No.413/1) Across River Beas.	3709.00
16.	Punj Lloyds Limited	Construction of Major Bridges, ROB, Minor Bridge, Box/Pipe Culverts, Underpasses etc. on Dharmavaram-Tuni Road Project in Vijayawada- Visakhapatnam section of NH-5 in the state of Andhra Pradesh.	1171.82
17.	Chief Engineer/Con-1, East Coast Railway, Bhubaneswar-23	Construction/Execution of foundation substructure, super structure and approach earth work for Major bridge No.343 over TEL between Titilagarh Kesinga (20x30.50m span PSC box girder) in connection with R-V Doubling phase-III between Titilagarh Lanjigarh Road (foundation, substructure with risk & cost and superstructure & approach earth work	1322.89

		without risk & cost)	
18.	Essar Projects Limited,	Construction of Product Berth at Vadinar.	2866.00
19.	Chief Engineer (Con-1), East Coast Railway Bhubaneswar.	Execution of balance work of foundation, substructure and construction of superstructure of major bridge no.382(10x30.50m span PSC Girder at Km.148.683 in connection with Tomka Baspani Rail Link Project.	1249.95
20.	IVRCL Infrastructures & Projects Limited	Design, construction, development, finance, operation and maintenance of existing 2 Lane portion from Km 00 (Salem) to Km 53.00at 4 Lane on NH 47	5709.00

ONGOING PROJECTS

S No	Client	Location	Project details
1.	Office of Director General Naval Project, Visakhapatnam	Visakhapatnam, Andhra Pradesh	Augmentation of Shore Supply at N-4 to N-26 Jetties, Dry Docks, Slipways and Degaussing Bay including associated works at ND(V)
2.	Office of Director General Naval Project, Visakhapatnam	Visakhapatnam, Andhra Pradesh	Construction of Jetty with Loading Facility at Visakhapatnam
3.	Cochin Port Trust, Cochin 682 009	Cochin, Kerala	Construction of Multi-User Liquid Terminal at Puthuvypeen, Cochin Port
4.	Purvanchal Vidyut Vitran Nigam Limited, Varanasi	Pratapgarh, Uttar Pradesh	Rural Electrification works of Pratapgarh district in Uttar Pradesh State under Rajiv Gandhi Grameen Vidyutikaran Yojna (RGGVY) - 12th Plan
5.	PWD, Puducherry	Pondicherry	Construction of Road Over Bridge AT LC-43A at Km.38/175 of NH45A in Puducherry
6.	Chief Engineer, MES, Shillong Zone	Leimakhong, Manipur	Provn of OTM ACCN No 1 at Leimakhong

PROJECTS EXECUTION PROCESS



1. Project Identification

The first step in the project execution involves identification of the potential project. Identification of the project is done based on parameters namely size of the project, duration of work involved, availability of resources, reputation of the client, funds required for the projects, type of project and many more. Once the identification is done we initiate the application process.

2. Bidding Process and Award of Contract

After the identification of the project to be undertaken, the next process is to apply for obtaining the project. The project may require us to enter into the tender or bidding process. This process involves estimation of the cost of the project and the time required to complete the project. Once the bid is submitted it is reviewed by the client and the project is awarded to the successful bidder.

3. Signing of the Contract or Letter of Intent

On the successful bidding we sign the letter of intent or contract with the client. The contract includes the details of the project, project terms and conditions, size of the project, amount involved and duration of the project.

4. Project Planning

Once the contract is signed with the client, we commence with the pre execution activities which includes activities such as mobilizing the manpower and equipment and construction of the temporary structure at the site. We also set up a mechanism to monitor execution of the project in order to ascertain that execution of the project is undertaken as per the plan and we are able to meet the project timeline.

5. Designing

This process involves designing the layout of the structure to be prepared and getting the same approved from the clients. The designs are made based on the scope of work as per the contract. Actual work are carried out based on the design and plans prepared.

6. Resource planning & Execution

Based on the design prepared and the terms of the contract we ascertain the resources required for the timely completion of the projects. The resources include the requisite manpower, material and the equipments for the completion of the project. Decisions are made as to use the in-house resources or to outsource the work to other vendors. Resource planning is done taking into consideration the terms of the contract and timeline for completion of work.

7. Project Completion

Upon completion of the project the same is reviewed by the team of engineers and they provide the completion certificate. The work undertaken is also reviewed by the relevant inspection team of the client in order to ascertain the work is done as per the terms of the contract.

EQUIPMENTS

We have developed our own fleet of equipments which are used in the execution of the projects. Brief details of major Equipments and Machinery used in the execution of the project work are Automatic Batching Plants for mixing of concrete, Transit mixers for transportation of concrete, Concrete pumps, Jack up Barges, Plat Top Brages with heavy cranes upto 100 tons capacity, Poclairn Tata Hitachi, Bull Dozer BEML D-50, Tipper Ashok Leyland, Vibromax Greaves, Grader, Hot Mix Paver Apollo, Gantries for execution of marine piling works, tripod for land piles, Winch, Reverse mud circulating machine, Bailors, Chisel, Lathe Machine, Crane Tata, Hydra Escorts,

Electrical Motor, welding machines, cutting machines, compressors, vibrators Loader, Crawler, Concrete Mixer, Concrete Vibrator, Tar boiler, Vibro Hammer Lambadini Elec. and Mixers.

We also have machines used for testing; so that we complete the work as per the desired specifications which include Theodolite, Moisture Metre, Cube testing machine, weighing machine, Dumpy/tilting meter and Prismatic compass.

SWOT ANALYSIS:-

Strengths:	Weaknesses
<ul style="list-style-type: none"> • High-quality, cost-effective projects delivery capabilities. • Good track record of on schedule completion of project. • Long Experience of Promoter in the construction sector. • Supporting motivated, flexible, and focused team • Own fleet of requisite construction equipments. 	<ul style="list-style-type: none"> • Uncertainty and slow pace of reforms. • Macroeconomic challengers which constrain public and private funding.
Opportunities	Threats
<ul style="list-style-type: none"> • Increasing Government focus on increasing reforms in the infrastructural and industrial sector. • Expansion of key industry sector like power, steel, petrochemicals, telecom and others. • Infrastructural development in the Country 	<ul style="list-style-type: none"> • Economical and Political scenario in the country. • Any environmental issues in the execution of the projects

COLLABORATIONS/TIE UPS/ JOINT VENTURES

We do not have any Collaborations/ Tie-Ups/ Joint Ventures as on the date of Draft Prospectus.

EXPORT OBLIGATION

Our Company does not have any export obligation as on date of this Draft Prospectus.

CAPACITY AND CAPACITY UTILIZATION

Our business is project specific and not of the nature of a manufacturing concern with specified installed capacity. Hence, capacity and capacity utilization is not applicable to us.

HEALTH, SAFETY AND ENVIRONMENT

Our company is committed to complying with the applicable health, safety and environmental regulations and other requirements in our operations. To help ensure effective implementation of our safety policies and practices, we identify potential hazards, evaluate all material risks and institute, implement and monitor appropriate risk mitigation measures at the time of planning for the projects. We endeavor to minimize any accidents at our project sites by equipping our manpower with safety equipment and material that covers them from the risk of potential health hazards.

INFRASTRUCTURE AND UTILITIES

Raw Materials, Power and Water

Most of our raw material used in the construction of the project like steel and cement which are procured mainly from Registered office and other materials are procured from the local vendors around the construction sites. Water and power requirements for the construction and allied activities is met through the locally available sources.

Human Resource

As on September 30, 2016, we have employed total 193 full-time employees at our locations and project sites. We have employed a prudent mix of the experienced staff and youth which gives us the dual advantage.

Category	No. of Employees
Administrative Staff	37
Skilled Workers	95
Semi-Skilled Worker	35
Un-Skilled Workers	26
Total	193

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, quality of execution, performance records and post execution support are the key factors in client decision among competitors.

Some of our major competitors are:-

1. Gammon India Limited
2. IDDC Cementation Limited
3. L & T Limited
4. Afcons Infrastructures Limited
5. Navayuga Engineering Company

INSURANCE

We maintain a range of insurance policies to cover our assets, risks and liabilities. Substantially all of our insurance policies related to our registered office, Projects, our movable property and workmen compensation policy. The policies provide appropriate coverage in relation to fire, explosions, floods, inundations, earthquakes, landslides, marine cargo and workmen compensation claims by our personnel. We constantly evaluate the risks in an effort to be sufficiently covered for all known risks. We believe that the amount of insurance coverage presently maintained by us represents an appropriate level of coverage required to insure our business and operations and is in accordance with the industry standard in India.

INTELLECTUAL PROPERTY

The details of the Domain name in the name of our company:-

S. No	Domain name	Sponsoring Registrar and IANA ID	Creation Date	Expiry Date
1.	www.rkecprojects.com	PDR LTD. D/B/A Publicdomainregistry.com IANA ID – 303	25 July 2009	25 July 2017

LAND & PROPERTY

Details of our property are as follows:-

S. No.	Details of the Property	Use	Owned/ Leased/ License	Licensor/ Lesser/ Vendor	Consideration
1.	Door No. 10-12-1, Rednam Alcazar, 3rd Floor, Opp SBI Main Branch, Old Jail Road, Rednam Gardens,	Registered Office	Leased	Mrs. Yalagaddha Madhavi w/o Mr. Y. Arun Chandra represented by	Rent agreement dated October 25, 2014 for a period of 3 years commencing from January 01, 2014 at a

	Visakhapatnam Andhra Pradesh - 530020 India.			Mrs. Attaluri Sujatha	monthly rent of ₹ 20697.00
2.	Plot No. 38, Block - D, S.No. 89, Autonagar, Gajuwaka, Visakhapatnam.	Stock Yard	Owned	AP Industrial Infrastructure Corporation Ltd	Purchased by a sale deed dated July 31, 2006 executed with R K Engineers & Contractors for a consideration of Rs. 50,00,000

KEY INDUSTRY REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain. The regulations and policies set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For details of such approvals, please see the section titled "Government and other Approvals" on page 181 of this Draft Prospectus.

MAJOR PORT TRUSTS ACT, 1963

The primary legislation governing ports is the Major Port Trusts Act, 1963 (the Port Trust Act). Each port is administered, controlled and managed by a board of trustees (Port Trust) which is constituted by the central government under the Port Trust Act. The Port Trust usually renders services such as landing and shipping of passengers and goods, transporting and storing goods, receiving, transporting and dispatching goods originating in the vessel in the port and intended for carriage by the railways or vice versa; piloting, hauling, mooring, hooking or measuring of vessels or any other service in respect of vessels. Such services can be sanctioned to be performed by private persons if approval of the central government is obtained. For this, such person cannot charge any sum in excess of the amount specified by the Tariff Authority for Major Ports (Port Tariff Authority) by notification. The Port Tariff Authority is an independent body established for fixing and revising port tariffs. These tariffs determine the upper limit of tariffs that can be charged by private entrepreneurs and the port.

Private participation is allowed in the following activities pertaining to ports: (i) leasing out assets of the port; (ii) construction and creation of additional assets (this includes: construction and operation of container terminals; (iii) construction and operation of bulk break bulk, multipurpose and specialized cargo berths; (iv) warehousing, container freight stations, storage facilities and tank farms; (v) crainage/handling equipment; (vi) setting up of captive power plants; (vii) dry docking and ship repair facilities; (viii) leasing of equipment for port handling and leasing of floating crafts from the private sector; (ix) pilotage; (x) captive facilities for port based industries. Further activities may be permitted to be opened to private sector participation after consultation with the central government. The approval of the Port Trust is required for making, erecting or fixing any wharf, dock, quay, stage, jetty, pier, erection or mooring within the port or its approaches and the Port Trust may specify conditions subject to which such consent is granted.

Though activities have been opened to participation by the private sector, these persons are obligated to operate in accordance with certain considerations such as protection of national interests including national security and adhering to priority berthing orders of the central government, in this regard. Other considerations include following statutory requirements on environmental protection, antipollution measures and safety.

However, private sector participants would be permitted to give priority berthing to their own ships and they would service other ships on a first come first served basis with respect to berths constructed or taken on lease by private entrepreneurs.

International Shipping and Port Facility Security Code (ISPS Code)

The ISPS Code is an amendment to the Safety of Life at Sea (SOLAS) Convention(1974/1988) on minimum security arrangements for ships, ports and government agencies. Having come into force in 2004, it prescribes responsibilities to governments, shipping companies, shipboard personnel, and port/facility personnel to "detect security threats and take preventative measures against security incidents affecting ships or port facilities used in international trade.

Indian Contract Act, 1872

Indian Contract Act codifies the way we enter into a contract, execute a contract, implement provisions of a contract and effects of breach of a contract. The Act consists of limiting factors subject to which contract may be entered into, executed and breach enforced as amended from time to time. It determines the circumstances in which promise made by the parties to a contract shall be legally binding on them. Each contract creates some right and duties upon the contracting parties. Indian contract deals with the enforcement of these rights and duties upon the parties.

The Indian Contract Act also lays down provisions of indemnity, guarantee, bailment and agency. Provisions relating to sale of goods and partnership which were originally in the Act are now subject matter of separate enactments viz., the Sale of Goods Act and the Indian Partnership Act. The objective of the Contract Act is to ensure that the rights and obligations arising out of a contract are honored and that legal remedies are made available to those who are affected.

Environmental Laws

Building and Construction projects must also ensure compliance with environmental legislation such as the Water (Prevention and Control of Pollution) Act 1974 (“WPA”), the Air (Prevention and Control of Pollution) Act, 1981 (“APA”) and the Environment Protection Act, 1986 (“EPA”). Such projects shall also ensure protection of marine life, human, animal and plant life at the site of work and also the places surrounding the work site .

The WPA aims to prevent and control water pollution. This legislation provides for the constitution of a Central Pollution Control Board and State Pollution Control Boards. The functions of the Central Board include coordination of activities of the State Boards, collecting data relating to water pollution and the measures for the prevention and control of water pollution and prescription of standards for streams or wells. The State Pollution Control Boards are responsible for the planning of programmes for prevention and control of pollution of streams and wells, collecting and disseminating information relating to water pollution and its prevention and control; inspection of sewage or trade effluents, works and plants for their treatment and to review the specifications and data relating to plants set up for treatment and purification of water; laying down or annulling the effluent standards for trade effluents and for the quality of the receiving waters; and laying down standards for treatment of trade effluents to be discharged. This legislation debars any person from establishing any industry, operation or process or any treatment and disposal system, which is likely to discharge trade effluent into a stream, well or sewer without taking prior consent of the State Pollution Control Board.

The Central and State Pollution Control Boards constituted under the WPA are also to perform functions as per the APA for the prevention and control of air pollution. The APA aims for the prevention, control and abatement of air pollution. It is mandated under this Act that no person can, without the previous consent of the State Board, establish or operate any construction plant in an air pollution control area.

The EPA has been enacted for the protection and improvement of the environment. The Act empowers the Central Government to take measures to protect and improve the environment such as by laying down standards for emission or discharge of pollutants, providing for restrictions regarding areas where industries may operate and so on. The Central Government may make rules for regulating environmental pollution.

Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008

The Hazardous Waste (Management and Handling) Rules, 1989 impose an obligation on each occupier and operator of any facility generating hazardous waste to dispose of such hazardous wastes properly and also imposes obligations in respect of the collection, treatment and storage of hazardous wastes. Each occupier and operator of any facility generating, processing, treating, packaging, storing, using, collecting, offering for sale converting or transferring hazardous waste is required to obtain an approval from the relevant state pollution control board for collecting, storing and treating the hazardous waste.

Noise Pollution (Regulation & Control) Rules 2000 (“Noise Regulation Rules”)

The Noise Regulation Rules regulate noise levels in industrial, commercial and residential zones. The Noise Regulation Rules also establish zones of silence of not less than 100 meters near schools, courts, hospitals, etc. The

rules also assign regulatory authority for these standards to the local district courts. Penalty for non-compliance with the Noise Regulation Rules shall be under the provisions of the Environment (Protection) Act, 1986.

Explosives Act, 1884

The **Explosives Act, 1884** regulates the manufacture, possession, sale, transportation, exportation and importation of explosives. As per the definition under the act an explosive includes any substance, whether a single chemical compound or a mixture of substances, whether solid or liquid or gaseous, used or manufactured with a view to produce a practical effect by explosion and pyrotechnic. The Government may also by notification declare that any substance, which appears to be specifically dangerous to life or property, by reason either of its explosive properties or of any process in the manufacture thereof being liable to explosion, as an explosive within the meaning of the Act. The Act requires that licenses are to be obtained for the manufacture, possession, use, sale, transport and importation of explosives.

The Petroleum Act, 1934 read with the Petroleum Rules, 2002

The Petroleum Act, 1934 consolidate and amend the law relating to the import, transport, storage, production, refining, blending, or reclaiming by recycling of petroleum and other inflammable substances. It further provides that no person shall produce, refine, blend, store or transport petroleum except in accordance with the rules framed by the Government of India under the Petroleum Act, 1934.

LAWS RELATING TO LABOUR AND EMPLOYMENT

As part of business of the Company it is required to comply from time to time with certain laws in relation to the employment of labour. A brief description of certain labour legislations which are applicable to the Company is set forth below:

The Factories Act, 1948

The Factories Act defines a ‘factory’ to be any premises including the precincts thereof, on which on any day in the previous 12 months, 10 or more workers are or were working and in which a manufacturing process is being carried on or is ordinarily carried on with the aid of power; or where at least 20 workers are or were working on any day in the preceding 12 months and on which a manufacturing process is being carried on or is ordinarily carried on without the aid of power. State governments prescribe rules with respect to the prior submission of plans, their approval for the establishment of factories and the registration and licensing of factories.

The Factories Act provides that the ‘occupier’ of a factory (defined as the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors) shall ensure the health, safety and welfare of all workers while they are at work in the factory, especially in respect of safety and proper maintenance of the factory such that it does not pose health risks, the safe use, handling, storage and transport of factory articles and substances, provision of adequate instruction, training and supervision to ensure workers’ health and safety, cleanliness and safe working conditions. If there is a contravention of any of the provisions of the Factories Act or the rules framed thereunder, the occupier and manager of the factory may be punished with imprisonment or with a fine or with both.

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.

Minimum Wages Act, 1948

The State Governments may stipulate the minimum wages applicable to a particular industry. The minimum wages generally consist of a basic rate of wages, cash value of supplies of essential commodities at

concession rates and a special allowance, the aggregate of which reflects the cost of living index as notified in the Official Gazette. Workers are to be paid for overtime at overtime rates stipulated by the appropriate State Government. Any contravention may result in imprisonment of up to six months or a fine of up to Rs. ₹ 500. Further, employees who have been paid less than the minimum wages are entitled to the payment of the shortfall amount, together with compensation, which may extend up to ten times the shortfall amount.

Employees' Compensation Act, 1923

The Employee's Compensation Act, 1923 has been enacted with the objective to provide for the payment of compensation by certain classes of employers to their workmen or their survivors for industrial accidents and occupational diseases resulting in the death or disablement of such workmen. The Act makes every employer liable to pay compensation in accordance with the Act if a personal injury/disablement/loss of life is caused to a workman (including those employed through a contractor) by an accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the Act within one month from the date it falls due, the Commissioner may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

Workmen's Compensation Act 1923

The Workmen's Compensation Act, 1923 provides for payment of compensation to workmen and their dependants in case of injury and accident (including certain occupational disease) arising out of and in the course of employment and resulting in disablement or death.

Payment of Wages Act, 1936

The Payment of Wages Act applies to the persons employed in the factories and to persons employed in industrial or other establishments, either directly or indirectly through a sub-contractor, where the monthly wages payable to such persons is less than Rs. ₹ 10,000/-. The Act confers on the person(s) responsible for payment of wages certain obligations with respect to the maintenance of registers and the display in such factory/establishment, of the abstracts of this Act and Rules made there under.

Industrial Disputes Act, 1947

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.

Employees State Insurance Act, 1948

All the establishments to which the Employees State Insurance (ESI) Act applies are required to be registered under the Act with the Employees State Insurance Corporation. The Act applies to those establishments where 20 or more persons are employed. The Act requires all the employees of the factories and establishments to which the Act applies to be insured in the manner provided under the Act. Further, employer and employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the ESI department.

Maternity Benefit Act, 1961

The Maternity Benefit Act, 1961 was enacted by Parliament in the Twelfth Year of the Republic of India to regulate the employment of women in certain establishments for certain periods before and after child-birth and to provide for maternity benefit and certain other benefits.

Andhra Pradesh (Issuance of Integrated Registration and furnishing of Combined Returns under various Labour Laws by certain establishments) Act, 2015

The Andhra Pradesh (Issuance of Integrated Registration and furnishing of Combined Returns under various Labour Laws by certain establishments) Act, 2015 was enacted to provide for issuance of Integrated Registration and furnishing of combined returns under various Labour laws like The Andhra Pradesh Shop and Establishment Act, 1988 and the Andhra Pradesh Shop and Establishment Rules, 1990, The Motor Transport Workers Act, 1961 and the Andhra Pradesh Motor Transport Workers Rules, 1963, The Contract Labour (Regulation and Abolition) Act, 1970 and the Andhra Pradesh Contract Labour (Regulation and Abolition) Rules, 1971, The Inter State Migrant Workers (Regulation of Employment and Conditions of Service) Act, 1979 and the Andhra Pradesh Building and other Construction Workers (Regulation of Employment and Conditions of Service) Rules, 1982, The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and the Andhra Pradesh Building and Other Construction Workers (Regulation of Employment and Condition of Service) Rules, 1999 and Payment of Gratuity Act, 1972 and the Andhra Pradesh Compulsory Gratuity Insurance Rules, 2011 by certain prescribed establishments in the state of Andhra Pradesh.

Andhra Pradesh Shop and Establishment Act, 1988

The Andhra Pradesh Shops and Establishments Act, 1966 was enacted by the Andhra Pradesh state Legislature in the Thirty-ninth Year of the Republic of India to consolidate and amend the law relating to the regulation of conditions of work and employment in shops, commercial establishments and other establishments and for matters connected therewith. In the implementation of the said Act and in the changed conditions in labour relations, it is found necessary to provide for some more measures for safeguarding the interests of the employees.

Inter State Migrant Workers (Regulation of Employment and Conditions of Service) Act, 1979;

The Inter State Migrant Workers (Regulation of Employment and Conditions of Service) Act, 1979 was enacted by Parliament in the Thirtieth Year of the Republic of India to regulate the employment of inter-State migrant workmen and to provide for their conditions of service and for matters connected therewith. This Act makes provision for availing with the onsite services of interstate workers by the contractors / establishments to overcome only the temporary shortage of required skilled workers in a state. The purpose of this act is not to encourage interstate migration of workers against the interests of local workers as the principal employers would have to incur more cost in deploying interstate workers.

Industrial Employment (Standing Orders) Act, 1946

The Industrial Employment (Standing Orders) Act, 1946 require employers in industrial establishments formally to define conditions of employment under them and applies to every industrial establishment wherein one hundred or more workmen are employed, or were employed on any day of the preceding twelve months.

Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996

The Building and other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 has been enacted to regulate the employment and conditions of service of building and other construction workers and to provide for their safety, health and welfare measures and for other matters connected therewith or incidental thereto.

Motor Transport Workers Act, 1961

The Motor Transport Workers Bill received the assent of the President on 20th May, 1961 after being passed by both the Houses of Parliament and came into force as the Motor Transport workers Act, 1961 to provide for the welfare of motor transport workers and to regulate the conditions of their work.

Payment of Gratuity Act, 1972

The Gratuity Act establishes a scheme for the payment of gratuity to employees engaged in every factory, mine, oil field, plantation, port and railway company, every shop or establishment in which ten or more persons are employed

or were employed on any day of the preceding twelve months and in such other establishments in which ten or more employees are employed or were employed on any day of the preceding twelve months, as notified by the Central Government from time to time. Penalties are prescribed for 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 Rs. ₹ 1 million.

Contract Labour (Regulation and Abolition) Act, 1970

The purpose of Contract Labour (Regulation and Abolition) Act, 1970 is to regulate the employment and protect the interests of the workers who are hired on the basis of individual contracts in certain establishments. In the event that any activity is outsourced, and is carried out by laborers hired on contractual basis, then compliance with the Contract Labour (Regulation and Abolition) Act, including registration will be necessary and the principal employer will be held liable in the event of default by the contractor to make requisite payments towards provident fund etc.

Payment of Bonus Act, 1965

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.

Apprentices Act, 1961

The Apprentices Act was enacted in 1961 for imparting training to apprentices i.e. a person who is undergoing apprenticeship training in pursuance of a contract of apprenticeship. Every employer shall make suitable arrangements in his workshop for imparting a course of practical training to every apprentice engaged by him in accordance with the programme approved by the apprenticeship adviser. The central apprenticeship adviser or any other person not below the rank of an assistant apprenticeship adviser shall be given all reasonable facilities for access to each apprentice with a view to test his work and to ensure that the practical training is being imparted in accordance with the approved programme.

Employees Provident Fund and Miscellaneous Provisions Act, 1952

The Act is applicable to factories and establishments employing twenty or more persons and may also apply to such establishments and industrial undertakings as notified by the Government from time to time. All the establishments under the Act are required to be registered with the Provident Fund Commissioners of the State. The Employees Provident Fund and Miscellaneous Provisions Act, 1952 provides for the institution of compulsory provident fund, pension fund and deposit linked insurance fund for the benefit of employees in factories and other establishments. This act was introduced with the object to institute provident fund for the benefit of employees in factories and other establishments. It empowers the Central Government to frame the 'Employee's Provident Fund Scheme', 'Employee's Deposit linked Insurance Scheme' and the 'Employees' Family Pension Scheme' for the establishment of provident funds under the EPFA for the employees. A liability is placed both on the employer and the employee to make contributions to the funds mentioned above. A monthly return in Form 12 A is required to be submitted to the commissioner in addition to the maintenance of registers by the employers.

Employees Provident Fund and Miscellaneous Provisions Act, 1952 (“Act”) and the schemes formulated there under (“Schemes”)

This Act provides for the institution of provident funds, family pension funds and deposit linked insurance fund for the employees in the factories and other establishments. Accordingly, the following schemes are formulated for the benefit of such employees:

i. **The Employees Provident Fund Scheme:** As per this Scheme, a provident fund is constituted and both the employees and employer contribute to the fund at the rate of 12% (or 10% in certain cases) of the basic wages, dearness allowance and retaining allowance, if any, payable to employees per month.

ii. **The Employees Pension Scheme:** Employees' Pension Scheme is Pension Scheme for survivors, old aged and disabled persons. This Scheme derives its financial resource by partial diversion from the Provident Fund contribution, the rate being 8.33%. Thus, a part of contribution representing 8.33 per cent of the employee's pay shall be remitted by the employer to the Employees' Pension fund within 15 days of the close of every month by a separate bank draft or cheque on account of the Employees' Pension Fund contribution in such manner as may be specified in this behalf by the appropriate authority constituted under the Act. The Central Government shall also contribute at the rate of 1.16 per cent of the pay of the members of the Employees' Pension Scheme and credit the contribution to the Employees' Pension Fund.

iii. **The Employees Deposit Linked Insurance Scheme:** As per this Scheme, the contribution by the employer shall be remitted by him together with administrative charges at such rate as the Central Government may fix from time to time under Section 6C (4) of the Act, to the Insurance Fund within 15 days of the close of every month by a separate bank draft or cheque or by remittance in cash in such manner as may be specified in this behalf by the appropriate authority constituted under the Act.

The Equal Remuneration Act, 1976 and Equal Remuneration Rules, 1976

The Constitution of India provides for equal pay for equal work for both men and women. To give effect to this provision, the Equal Remuneration Act, 1976 was implemented. The Act provides for payment of equal wages for equal work of equal nature to male or female workers and for not making discrimination against female employees in the matters of transfers, training and promotion etc.

Child Labour (Prohibition and Regulation) Act, 1986

This statute prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Under this Act the employment of child labour in the building and construction industry is prohibited.

The Puducherry Industrial establishment (National and Festival Holidays) Act, 1964

The Puducherry Industrial establishment (National and Festival Holidays) Act, 1964 provides for the grant of National and Festival holidays to persons employed in Industrial establishments in the Union Territory of Puducherry. As per the provisions of the Act and the rules framed there-under it is the statutory obligation on the part of the employer to allow every employee eight holidays in each calendar year i.e., five national holidays on 26th January, 1st May, 15th August, 16th August, 2nd October and three other festival holidays. Every employer is required to send to the concerned area Inspector a statement in Form V specifying the National and Festival holidays to be allowed to each employee before the commencement of the Calendar Year in which the holiday are to be allowed.

Public Liability Insurance Act, 1991

The Public Liability Insurance Act, 1991 provides for public liability insurance for the purpose of providing immediate relief to the persons affected by accident occurring while handling hazardous substances and for matters connected therewith or incidental thereto. Hazardous substance means any substance or preparation which is defined as hazardous substance under the Environment (Protection) Act, 1986, and exceeding such quantity as may be specified by notification by the Central Government.

Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("SHWW Act")

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 provides for the protection of women at work place and prevention of sexual harassment at work place. The Act also provides for a

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

PROPERTY RELATED LAWS

Indian Stamp Act, 1899

Under the Indian Stamp Act, 1899 (the “**Stamp Act**”) stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state. Instruments chargeable to duty under the Stamp Act, which are not duly stamped are incapable of being admitted in court as evidence of the transaction contained therein and it also provides for impounding of instruments that are not sufficiently stamped or not stamped at all.

Indian Easements Act, 1882

An easement is a right which the owner or occupier of land possesses for the beneficial enjoyment of that land and which permits him to do or to prevent something from being done, in or upon, other land not his own. Under the Indian Easements Act, 1882, a license is defined as a right to use property without any interest in favour of the lessee. The period and incident may be revoked may be provided in the license agreement entered in between the licensee and the licensor.

BUSINESS LAWS:

Companies Act, 2013

The Companies Act, 2013, has been introduced to replace the existing Companies Act, 1956 in a phased manner. The Ministry of Corporate Affairs has vide its notification dated September 12, 2013 has notified 98 Sections of the Companies Act, 2013 and the same are applicable from the date of the aforesaid notification. A further 183 Sections 110 have been notified on March 26, 2014 and have become applicable from April 1, 2014. The Companies (Amendment) Act, 2015 has inter-alia amended various Sections of the Companies Act, 2013 to take effect from May 29, 2015. Further, vide the Companies (Amendment) Act, 2015, Section 11 of the Companies Act, 2013 has been omitted and Section 76A has been inserted in the Companies Act, 2013. The Ministry of Corporate Affairs, has also issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Companies Act, 2013.

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.

Trademarks Act, 1999 (“Trademarks Act”)

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

Competition Act, 2002

The Competition Act, 2002 “prohibits anti competitive agreements, abuse of dominant positions by enterprises and regulates “combinations” in India. The Competition Act also established the Competition Commission of India (the “CCI”) as the authority mandated to implement the Competition Act. The provisions of the Competition Act relating to combinations were notified recently on March 4, 2011 and came into effect on June 1, 2011. Combinations which are likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act. A combination is defined under Section 5 of the Competition Act as an acquisition, merger or amalgamation of enterprise(s) that meets certain asset or turnover thresholds. There are also different thresholds for those categorized as Individuals and Group. The CCI may enquire into all combinations, even if taking place outside India, or between parties outside India, if such combination is Likely to have an appreciable adverse effect on competition in India. Effective June 1, 2011, all combinations have to be notified to the CCI within 30 days of the execution of any agreement or other document for any acquisition of assets, shares, voting rights or control of an enterprise under Section 5(a) and (b) of the Competition Act (including any binding document conveying an agreement or decision to acquire control, shares, voting rights or assets of an enterprise); or the board of directors of a company (or an equivalent authority in case of other entities) approving a proposal for a merger or amalgamation under Section 5(c) of the Competition Act. The obligation to notify a combination to the CCI falls upon the acquirer in case of an acquisition, and on all parties to the combination jointly in case of a merger or amalgamation.

Specific Relief Act, 1963 (“Specific Relief Act”)

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

Negotiable Instruments Act, 1881

In India, cheques are governed by the Negotiable Instruments Act, 1881, which is largely a codification of the English Law on the subject. The Act provides effective legal provision to restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honoured by their bankers and returned unpaid. Section 138 of the Act, creates statutory offence in the matter of dishonour of cheques on the ground of insufficiency of funds in the account maintained by a person with the banker which is punishable with imprisonment for a term which may extend to two year, or with fine which may extend to twice the amount of the cheque, or with both.

Micro, Small and Medium Enterprises Development Act, 2006

The Micro, Small and Medium Enterprises Development Act, 2006 as amended from time to time ('MSMED Act') seeks to facilitate the development of micro, small and medium enterprises.

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

The Arbitration and Conciliation Act, 1996

This act was enacted by Parliament in the Forty-seventh Year of the Republic of India to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards as also to define the law relating to conciliation and for matters connected therewith or incidental thereto. The main objectives of the Act is to comprehensively cover international and commercial arbitration and conciliation as also domestic arbitration and conciliation, to make provision for an arbitral procedure which is fair, efficient and capable of meeting the needs of the specific arbitration, to provide that the arbitral tribunal gives reasons for its arbitral award, to ensure that the arbitral tribunal remains within the limits of its jurisdiction, to minimize the supervisory role of courts in the arbitral process, to permit an arbitral tribunal to use mediation, conciliation or other procedures during the arbitral proceedings to encourage settlement of disputes, to provide that every final arbitral award is enforced in the same manner as if it were a decree of the court, to provide that a settlement agreement reached by the parties as a result of conciliation proceedings will have the same status and effect as an arbitral award on agreed terms on the substance of the dispute rendered by an arbitral tribunal and to provide that, for purposes of enforcement of foreign awards, every arbitral award made in a country to which one of the two International Conventions relating to foreign arbitral awards to which India is a party applies, will be treated as a foreign award.

TAX LAWS**Income Tax Act, 1961**

The Income Tax Act, 1961 deals with the taxation of individuals, corporate, partnership firms and others. As per the provisions of this Act the rates at which they are required to pay tax is calculated on the income declared by them or assessed by the authorities, after availing the deductions and concessions accorded under the Act. The maintenance of Books of Accounts and relevant supporting documents and registers are mandatory under the Act. Filing of returns of Income is compulsory for all assesses. The maintenance of Books of Accounts and relevant supporting documents and registers are mandatory under the Act.

Finance Act, 1994 (Service Tax)

Service tax is charged on taxable services as defined in Chapter V of Finance Act, 1994, (as amended from time to time) which requires a service provider of taxable services to collect service tax from a service recipient and pay such tax to the Government. In accordance with Rule 6 of Service tax Rules the assessee is required to pay Service tax in TR 6 challan by fifth of the month immediately following the month to which it relates. Further under Rule 7(1) of Service Tax Rules, the company is required to file a half yearly return in Form ST 3 by twenty fifth of the month immediately following the half year to which the return relates.

Central Sales Tax Act, 1956

The Central Sales Tax Act, 1956 enacted by Parliament in Seventh Year of Republic of India to formulate principles for determining when a sale or purchase of goods takes place in the course of inter-state trade of commerce or outside a State or in the course of imports into or export from India, to provide for the levy, collection and distribution of taxes on sales of goods in the course of inter-state trade of commerce and to declare certain goods to be of special importance in inter-state or commerce and specify the restrictions and conditions to which state laws imposing taxes on the sale or purchase of such goods of special importance.

Puducherry Value Added Tax Act, 2007

The Puducherry Value Added Tax Act, 2007 was enacted by Legislative Assembly of Puducherry in the Fifty-eighth year of the Republic of India to provide for the levy and collection of value added tax on the sale or purchase of goods in the Union territory of Puducherry and for matters connected therewith or incidental thereto.

Uttar Pradesh Value Added Tax. Act, 2008

The Uttar Pradesh Value Added Tax. Act, 2008 was enacted in the fifty-ninth year of the Republic of India to provide for introducing Value Added System of taxation for the levy and collection of tax on sale or purchase of goods in the State of Uttar Pradesh and for matters connected therewith and incidental thereto.

Andhra Pradesh Value Added Tax Act, 2005

The Andhra Pradesh Value Added Tax Act, 2005 enacted by the Legislative Assembly of the State of Andhra Pradesh in the Fifty sixth Year of the Republic of India to provide for and consolidate the law relating to levy of value added tax on sale or purchase of goods in the state of Andhra Pradesh and for matters connected therewith and incidental thereto.

Gujarat Value Added Tax Act, 2003

The Gujarat Value Added Tax Act, 2003 was hereby enacted in the Fifty-fourth Year of the Republic of India to consolidate and amend the laws relating to the levy and collection of tax on value added basis in respect of sale or purchases of goods in the State of Gujarat.

Kerala Value Added Tax Act, 2003

The Kerala Value Added Tax Act, 2003 was enacted in the Fifty-fourth Year of the Republic of India to consolidate and amend the law relating to the levy of tax on the sale or purchase of goods based on the concept of Value Added Tax in the State of Kerala.

Maharashtra Value Added Tax Act, 2002

The Maharashtra Value Added Tax Act, 2002 was enacted in the Fifty-third Year of the Republic of India to consolidate and amend the laws relating to the levy and collection of tax on the sale or purchase of certain goods in the State of Maharashtra.

Manipur Value Added Tax Act, 2004

The Manipur Value Added Tax Act, 2004 was enacted by the Legislature of Manipur in the Fifty- fifth Year of Republic of India to provide for and consolidate the law relating to levy of value added tax on sales or purchases of goods in the State of Manipur.

Tamil Nadu Value Added Tax Act, 2006

The Tamil Nadu Value Added Tax Act, 2006 was by the Legislative Assembly of the State of Tamil Nadu in the Fifty-seventh Year of the Republic of India to provide for and consolidate the law relating to levy of value added tax on sales or purchases of goods in the State of Tamil Nadu.

Orissa Value Added Tax Act, 2004

The Orissa Value Added Tax Act, 2004 was enacted by the Legislature of the State of Orissa in the Fifty-fifth year of the Republic of India to provide for the imposition and collection of tax on the sale or purchase of goods in the State of Orissa.

Punjab Value Added Tax Act, 2005

The Punjab Value Added Tax Act, 2005 was enacted by the Legislature of the State of Punjab in the Fifty-sixth Year of the Republic of India to provide for the levy and collection of value added tax and turnover tax on the sales or purchases of goods and for the matters connected therewith and incidental thereto, and for the repeal of the Punjab General Sales Tax Act, 1948.

HISTORY AND CERTAIN CORPORATE MATTERS

Our History and Background

Our Company was originally incorporated on April 01, 2005 as “RKEC Projects Private Limited” vide Registration no. 045795 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Andhra Pradesh, Hyderabad. The Company after its incorporation takeover the running business of proprietorship firm of our Promoter Mr. Radhakrishna Garapati with effect from April 01, 2006 i.e. “RK Engineers & Contractors”. Further, 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 October 31, 2016 and the name of the our company was changed to “RKEC Projects Limited” vide a fresh Certificate of incorporation dated November 10, 2016, issued by the Registrar of Companies, Hyderabad having CIN U45200AP2005PLC045795.

Our Company was originally promoted by Mr. Radhakrishna Garapati and Mrs. Parvathi Devi Garapati who were the original/initial subscribers to the Company’s Memorandum and Articles of Association. Presently Mr. Radhakrishna Garapati is the Promoter of our Company.

Changes in Registered Office of the Company since incorporation

The Registered Office of the Company is situated at Door No. 10-12-1, Rednam Alcazar, 3rd Floor, Opp: SBI Main Branch, Old Jail Road, Rednam Gardens Visakhapatnam Andhra Pradesh 530020.

Following change has been made in our registered office since incorporation till the date of this Draft Prospectus:

From	To	Date of Change	Reason for Change
58-15-114/1, Shanthi Nagar, Nad Kotha Road, Visakhapatnam, Andhra Pradesh.	Door No. 10-12-1, Rednam Alcazar, 3 rd Floor, Opp: SBI Main Branch, Old Jail Road, Rednam Gardens Visakhapatnam Andhra Pradesh 530020	January 01, 2009	To increase operational efficiency

Key Events and Mile Stones

Year	Key Events / Milestone / Achievements
2005-06	Incorporation of the Company in the name and style of “RKEC Projects Private Limited”
2006-07	The Company tookover the running business of the proprietorship firm of one of our Promoter Mr. Radhakrishna Garapati being carried on under the name and style of RK Engineers & Contractors.
2012-13	The Company has undertaken an extra business activity of ‘Facility Management’ which was subsequently closed down in the next financial year.
2015-16	Conversion of Company from Private Limited to Public Limited.

Detail about business of our Company

For details on the description of our Company’s activities, products, marketing strategy, competition of our Company, please see “Our Business”, “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” and “Basis for Issue Price” on pages 81, 163 and 69 respectively of the Draft Prospectus.

Our Main Object

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

- To carry on in India or elsewhere, either alone or jointly with one or more persons, government, local or other bodies, the business to construct, build, alter, acquire, convert, improve, design, erect, establish, equip, develop, dismantle, pull down, turn to account, furnish, level, decorate, fabricate, install, finish, repair, maintain, such, survey, examine taste, inspect, locate, modify, own operate, protect, promote, provide, participate, reconstruct,

grout, dig, excavate, pour, renovate, remodel, rebuild, undertake, contribute, assist and to act as civil engineer, architectural engineer, interior decorator, consultant, advisor, agent, broker, supervisor, administrator, contractor, subcontractor, turnkey contractor and manager of all types of construction & developmental work in all its branches such as roads, ways, culverts, dams, bridges, railways, tramways, water tanks, reservoirs, canals, wharves, warehouses, factories, buildings, structures, drainage & sewage works, water distribution & filtration systems, docks, harbors, piers, irrigation works, flyovers, airports, runways, rock drilling, aqueducts, stadiums, hydraulic units, sanitary works, power supply works power stations, hotels, hospitals, dharmashalas, multistoreys, colonies, complexes, housing projects and other similar work and for the purpose to acquire, handover, purchase, sell, own, cut to size, develop, distribute or otherwise to deal in all sorts of land & buildings and to carry on all or any of the foregoing activities for building materials, goods, plants, machineries, equipments, accessories, parts, tools, fittings, articles, materials and facilities of whatsoever nature and to do all incidental acts and things necessary for the attainment of the foregoing objects.

2. To undertake to construct, execute, carry out, improve, alter, develop or advice regarding piling and other marine works of all kinds and description either on own or in joint ventures with others, to construct ramps, jettys, ports and such other specialized works either in river beds and/or sea beds, and real estate activities.
3. To purchase, sell, develop, take in exchange, or on lease, hire or otherwise acquire, whether for sale, or working the same, and real or personal estate including lands, house, cottages, shops, depots, warehouses, any property or interest in or with respect to any property whatsoever for the purpose of the Company in consideration for a gross sum or rent or partly in one way and partly in the other or for any other consideration and to carry on business as proprietors of flats and buildings and to let on lease or otherwise apartments there in and to provide for the conveniences commonly provided in flats suits and residential and business quarters.
4. To undertake construction activities and to develop real estate properties including promotion of houses, residential flats, commercial and other complexes, hotels, tourist resorts, colonies, factories and such other works on its own or on behalf of others, either on land purchased, held on lease or on contract basis for general public or particular group of individuals or persons or bodies corporate.

Changes in Memorandum of Association

Except as stated below there has been no change in the Memorandum of Association of our Company since its Incorporation:

Sr. No.	Particulars	Date of Meeting	Type of Meeting
1.	Authorized share capital of Rs. 1,00,000 (One Lakh) divided into 10,000 equity Shares of Rs. 10/- each.	Incorporation	-
2.	Increase in the authorized share capital of the Company from Rs. 1,00,000 divided into 10,000 Equity shares of Rs. 10/- each to Rs.10,01,00,000 (Ten Crore one Lakh) divided into 1,00,10,000 Equity shares of Rs. 10/- each.	March 30, 2006	EGM
3.	Increase in the authorized share capital of the Company from Rs.10,01,00,000 (Ten Crore one Lakh) divided into 1,00,10,000 Equity shares of Rs. 10/- each to Rs.25,00,00,000 (Twenty five Crores) divided into 2,50,00,000 Equity shares of Rs. 10/- each.	September 30, 2016	AGM
4.	Conversion of our Company from Private Limited to Public Limited Company. Consequently name of the Company has been changed from RKEC Projects Private Limited to RKEC Projects Limited and a fresh Certificate of Incorporation November 10, 2016 bearing CIN U45200AP2005PLC045795 was issued by Registrar of Companies, Hyderabad.	October 31, 2016	EGM

Adopting New Articles of Association of the Company

Our Company has adopted a new set of Articles of Association of the Company, in the Extra Ordinary Meeting of the Company dated October 31, 2016.

Capital raising (Debt / Equity)

For details in relation to our capital raising activities through equity, please refer to the chapter titled “*Capital Structure*” beginning on page 51 of the Draft Prospectus.

For a description of our Company’s debt facilities, see “*Statement of Financial Indebtedness*” on page 161 of the Draft Prospectus.

Defaults or Rescheduling of borrowings with financial institutions/banks

There have been no defaults or rescheduling of borrowings with any financial institutions/banks as on the date of the Draft Prospectus. Furthermore, none of the Company's loans have been converted into equity in the past.

Time and Cost overruns in setting up projects

There has been no time / cost overrun in setting up projects by our Company other than the projects undertaken in normal course of business.

Revaluation of Assets

Our Company has not revalued its assets since incorporation.

Lock-out or strikes

There have been no lock-outs or strikes in our Company since inception.

Changes in activities of our Company during the last five (5) years

Our Company has not changed its line of activities in the last five (5) years, except in the financial year 2012-13 where company undertook an extra business activity of ‘Facility Management’ which was subsequently closed down in the next financial year.

Holding Company

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

Subsidiary of our Company

Our Company does not have any Subsidiary within the meaning of Section 2 (87) of the Companies Act 2013, as on the date of this Draft Prospectus.

Injunction or restraining order

Our Company is not operating under any injunction or restraining order.

Details regarding acquisition of business/ undertakings, mergers, amalgamation, revaluation of assets etc.

There are no mergers, amalgamation, etc with respect to our Company and we have not acquired any business/undertakings since incorporation except for the takeover of proprietorship firm namely M/s RK Engineers & Contractors in the financial year 2006-07 belong to our Promoter Mr. Radhakrishna Garapati

Number of Shareholders of our Company:

Our Company has Eleven (11) shareholders as on the date of this Draft 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 Draft Prospectus.

Changes in the Management

For details of change in Management, please see chapter titled “*Our Management*” on page no 107 of the Draft Prospectus.

Shareholders Agreements

There are no subsisting shareholder’s agreements among our shareholders in relation to our Company, to which our Company is a party or otherwise has notice of the same as on the date of the Draft Prospectus.

Other Agreements

Our Company has not entered into any other material agreements, other than disclosed in the Draft Prospectus. For further details please refer to the chapter titled “*Outstanding Litigation and Material Developments*” and “*Material Contracts and Documents for Inspection*” beginning on page 176 and 284 respectively of the Draft Prospectus.

Strategic Partners

Except as mentioned in this Draft Prospectus, Our Company does not have any strategic partners as on the date of this Draft Prospectus.

Financial Partners

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

Corporate Profile of our Company

For details on the description of our Company’s activities, the growth of our Company, please see “*Our Business*”, “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” and “*Basis of Issue Price*” on pages 81, 163 and 69 respectively of this Draft Prospectus.

OUR MANAGEMENT

Board of Directors

The following table sets forth the details regarding the Board of Directors of our Company as on the date of filing of this Draft Prospectus:

Name, Father's Name, Age, Designation, Address, Experience, Occupation, Qualification, Nationality & DIN	Date & term of Appointment	No. of Equity Shares held & % of Shareholding (Pre Issue)]	Other Director-ships
Mr. Radhakrishna Garapati Father's Name: Mr. Satyanarayana Garapati Age: 53 Years Designation: Chairman and Managing Director Address: 7-17-9/1, P No. 69, Indraprastha, Kirlampudi, Visakhapatnam, Andhra Pradesh-530023 Experience: 30 Years Occupation: Business Qualification: Bachelor of Engineering in Mechanical Engineering Nationality: Indian DIN: 00073080	Originally Appointed as Managing Director w.e.f April 01 st , 2005 Re-Designated as Chairman and Managing Director in EGM dated December 01 st , 2016.	1,93,01,700 Equity Shares [99.95.%]	➤ Naram Enterprises Private Limited
Mrs. Parvathi Devi Garapati Husband's Name: Mr. Radhakrishna Garapati Age: 51 Years Designation: Whole-time Director Address: 7-17-9/1, P No. 69, Indraprastha, Kirlampudi, Visakhapatnam, Andhra Pradesh-530023 Experience: 10 Years Occupation: Business Qualification: Bachelor of Science Nationality: Indian DIN: 00094961	Originally Appointed as Executive Director w.e.f. April 01 st , 2005 Re-Designated as Whole-time Director in EGM dated December 01 st , 2016 and liable to retire by rotation.	10,000 Equity Shares [0.05%]	➤ Naram Enterprises Private Limited
Mrs. Sita Ratnam Gudapati Father's Name: Mr. Veera Raghavulu Garapati Age: 49 Years Designation: Non Executive Director Address: D. No.: 12-2-790/157, Ayodhya Nagar Colony, near Kanaka Durga Temple, Mehdiapatnam, Hyderabad-500028 Experience: 24 year Occupation: Doctor Qualification: MBBS Nationality: Indian DIN: 07344104	Appointed as an Additional Non Executive Director on November 19 th , 2015 and regularize in Annual General Meeting held on September 30, 2016 and liable to retire by rotation.	NIL	NIL

Name, Father's Name, Age, Designation, Address, Experience, Occupation, Qualification, Nationality & DIN	Date & term of Appointment	No. of Equity Shares held & % of Shareholding (Pre Issue]	Other Director-ships
Mr. Lucas Peter Thalakala S/o: Mr. Arlappa Thalakala Age: 60 Years Designation: Non-Executive Independent Director Address: D. No. 11-2-1, H-13, Sea Shells Apts, Waltair Uplands, Visakhapatnam Andhra Pradesh-530003 Experience: 33 Years Occupation: Retired Qualification: M.A. Economics Nationality: Indian DIN: 07664071	Appointed as an additional Non Executive Independent Director on November 25 th , 2016 and regularize in Extra Ordinary General Meeting held on December 01 st , 2016	NIL	NIL
Vice Admiral (retd.) Satish Soni S/o: Mr. Inder Lal Soni Age: 60 Years Designation: Non-Executive Independent Director Address: 12N-110, Greater Kailash Part-I, Greater Kailsahi, South Delhi, Delhi-110048 Experience: 40 Years Occupation: Business Qualification: Master in Science and Double M.Phil Nationality: Indian DIN: 07664074	Appointed as an additional Non Executive Independent Director on November 25 th , 2016 and regularize in Extra Ordinary General Meeting held on December 01 st , 2016	NIL	NIL
Lt. Gen. (retd) Peruvemba Ramachandran Kumar S/o: Mr. Peruvemba Ramachandran Sunderan Age: 61 Years Designation: Non-Executive Independent Director Address: 24, Tughlak Crescent, Delhi-110001 Experience: 39 Years Occupation: Business Qualification: Master in Science and Double M. Phil Nationality: Indian DIN: 07352541	Appointed as an additional Non Executive Independent Director on November 25 th , 2016 and regularize in Extra Ordinary General Meeting held on December 01 st , 2016	NIL	➤ Premier Explosives Limited

Brief Biographies of Directors

Mr. Radhakrishna Garapati is the Chairman and Managing Director of our Company. He holds degree of Bachelor of Engineering (Mechanical) from Andhra University. He has over 3 decades of experience and specialization in civil and Mechanical construction works. Prior to the formation of our Company, he was carrying on the business of civil construction as a sole proprietor under the name of M/s R. K. Engineers and Contractors, which was taken over by our company in the year 2006. He is instrumental in taking major policy decision of the Company. He is playing vital role in identifying, developing and formulating business strategies and effective

implementation of the same and significantly contributed towards expansion of the company. Also, he liaises with various Government Departments and overlooks various business processes including tendering, bidding and planning of the projects.

Mrs. Parvathi Devi Garapati is the Whole Time Director of our Company. She holds degree of Bachelor's in Science. She joined our Company as Director since incorporation of our Company. She has over 10 Years of experience in the field of finance. She is responsible for overseeing the overall functioning of our Company, especially the financial management. She looks after budgeting, planning and monitoring process which has leveraged the timely completion of our projects along with overall finance and cash flow management of our Company.

Mrs. Sita Ratnam Gudapati is the Non executive Director of Our Company. She holds the MBBS Degree. She has the experience of around 24 year. She has a good administrative power and her experience act as a guiding role for growth of our organization.

Mr. Lucas Peter Thalakala, is the Non Executive Independent Director of our company. He holds the Master in Arts in Economics from Andhra University. He has work experience of more than 3 decades in various fields. He worked as Lecturer in Government Degree College and Joined the Department of Economics, Andhra University in year 1986. He was selected for Indian Revenue Service (IRS) and joined the Income tax department, Ministry of Finance, GOI in 1987. He has worked in different wings of Income tax department and retired on April 30, 2016 from post of Commissioner of Income Tax. He joined our Company as Independent Director on November 25th, 2016.

Vice Admiral (retd.) Satish Soni, is the Non Executive Independent Director of our company. He holds the degree of Master in Science and Double M. Phil. He is an Ex Navy Officer with around 40 years of Distinguish service which involved directing active military operations at various levels. His last appointment with the Indian Navy was Flag officer commanding in Chief, Eastern Naval Command. He joined our Company as Independent Director on November 25th, 2016.

Lt. Gen. (retd.) Peruvemba Ramachandran Kumar, is the Non Executive Independent Director of our company. He holds the Master in Science and Double M. Phil. He is an Ex Army officer with around forty years of distinguished service which involved directing active military operations at various levels, planning for operational preparedness, force modernization, manpower planning and budgeting. He joined our Company as Independent Director on November 25th, 2016.

Confirmations

None of our Directors is or was a director of any listed company during the last five years preceding the date of this Draft Prospectus, whose shares have been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in such company.

None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange during the tenure of their directorship in such company.

Nature of any family relationship between our Directors

Except Mr. Radhakrishna Garapati and Mrs. Parvathi Devi Garapati, who are husband and wife and Mrs. Sita Ratnam Gudapati who is brother's daughter of Mr. Radhakrishna Garapati, none of the Directors are related to each other.

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.

Details of Borrowing Powers of Directors

Our Company has passed a special resolution in the Extra Ordinary General Meeting of the members held on December 01, 2016 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 Crore (Rupees One Hundred Crore only).

Compensation of our Managing Director & Whole-time Director

The compensation payable to our Managing Director and Whole-time Directors will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 2(54), 2(94), 188, 196, 197, 198 and 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force).

The following compensation has been approved for Managing Director and Whole Time Directors:

Particulars	Mr. Radhakrishna Garapati	Mrs. Parvathi Devi Garapati
Appointment/Change in Designation	Special Resolution dated December 01 st , 2016	Special Resolution dated December 01 st , 2016
Designation	Chairman and Managing Director	Whole- time Director
Term of Appointment	5 years Liable to Retire by rotation from 1 st April 2015	5 years Liable to Retire by rotation
Remuneration & Perquisites	Upto ₹ 1,60,00,000 /- Per Annum	Upto ₹ 1,60,00,000 /- Per Annum
Compensation paid in the year 2015-16	₹90,00,000 /- Per Annum	₹48,00,000 /- Per Annum

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 November 25, 2016 for payment of an amount as approved by the Board to all Non-executive Directors for attending each such meeting of the Board or Committee thereof.

Shareholding of our Directors as on the date of this Draft Prospectus.

Sr. No.	Name of the Director	No. of Shares Held	Holding in %
1.	Mr. Radhakrishna Garapati	1,93,01,700	99.95
2.	Mrs. Parvathi Devi Garapati	10,000	0.05
	Total	1,93,11,700	100.00

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

None of the Independent Directors of the Company holds any Equity Shares of Company as on the date of this Draft 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 107 of this Draft Prospectus

Our Directors may also be regarded as interested to the extent of their shareholding and dividend payable thereon, if any, and to the extent of Equity Shares, if any held by them in our Company or held by their relatives. Further our Director are also interested to the extent of unsecured loans, if any, given by them to our Company or by their relatives or by the companies/ firms in which they are interested as directors/Members/Partners. Further our Directors are also interested to the extent of loans, if any, taken by them or their relatives or taken by the companies/ firms in which they are interested as Directors/Members/Partners and for the details of Personal Guarantee given by Directors towards Financial facilities of our Company please refer to “*Annexure B (A)*” of Section “*Financial Information of the Company*” on page 128 respectively of this Draft Prospectus.

Except as stated otherwise in this Draft Prospectus, our Company has not entered into any Contract, Agreements or Arrangements during the preceding two years from the date of the Draft 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 107 and 128 respectively of this Draft Prospectus, and except to the extent of shareholding in our Company, our Directors do not have any other interest in our business.

Interest in the property of our Company

Except as disclosed in the chapters titled “Our Promoter and Promoter Group”, “Our Business” and “Financial Information of the Company” on page no. 120, 81 and 128 respectively of this Draft Prospectus, our Directors do not have any interest in any property acquired two years prior to the date of this Draft Prospectus.

Except Mr. Radhakrishna Garapati and Mrs. Parvathi Devi Garapati, who are husband and wife, none of the Directors are related to each other.

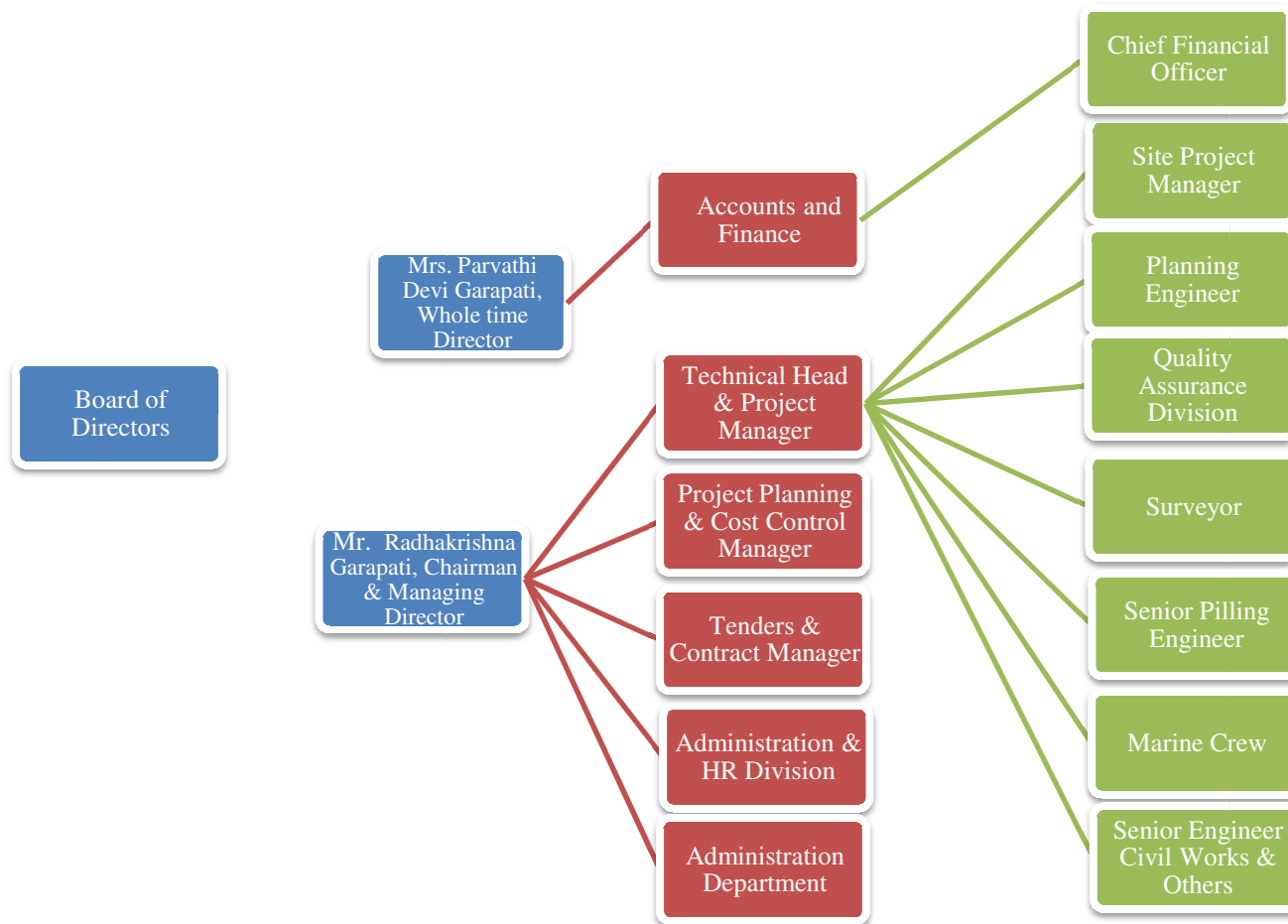
Changes in Board of Directors in Last 3 Years

Sr. No.	Name	Date of Appointment / Re – Appointment	Reasons for Change
1.	Mr. Radhakrishna Garapati	Re-designated as a Chairman and Managing Director in meeting dated December 01, 2016 Appointed as Managing Director on April 1, 2015	To ensure better Corporate Governance
2.	Mrs. Parvathi Devi Garapati	Re-designated as a Whole-time Director in meeting dated December 01, 2016	To ensure better Corporate Governance
3.	Mr. Pothanna Boina	Appointed as an additional Non-Executive Director w.e.f November 19, 2015	To ensure better Corporate Governance
		Regularise as Non-Executive Director in Annual General Meeting dated September 30, 2016	
		Resigned with effect from November 25, 2016	Personal Reason
4.	Mr. Bangarayya Pilla	Appointed as an additional Non-Executive Director w.e.f November 19, 2015	To ensure better Corporate Governance
		Regularise as Non-Executive Director in Annual General Meeting dated September 30, 2016	
		Resigned with effect from November 25, 2016	Personal Reason
5.	Mrs. Sita Ratnam	Appointed as an additional Non-Executive	To ensure better Corporate

	Gudapati	Director w.e.f November 19, 2015 Regularise as Non-Executive Director in Annual General Meeting dated September 30, 2016	Governance
6.	Mr. Lucas Peter Thalakala	Appointed as an additional Non-Executive Independent Director w.e.f November 25, 2016 Regularise as Non-Executive Independent Director in Extra Ordinary General Meeting dated December 01, 2016	To ensure better Corporate Governance
7.	Vice Admiral (retd.) Satish Soni	Appointed as an additional Non-Executive Independent Director w.e.f November 25, 2016 Regularise as Non-Executive Independent Director in Extra Ordinary General Meeting dated December 01, 2016	To ensure better Corporate Governance
8.	Lt. Gen. (retd.) Peruvemba Ramachandran Kumar	Appointed as an additional Non-Executive Independent Director w.e.f November 25, 2016 Regularise as Non-Executive Independent Director in Extra Ordinary General Meeting dated December 01, 2016	To ensure better Corporate Governance

MANAGEMENT ORGANISATION STRUCTURE

The following chart depicts our Management Organization Structure:-



COMPLIANCE WITH CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013, provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (ICDR) Regulations, 2009 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 NSE. The requirements pertaining to the Composition of the Board of Directors and the constitution of the committees such as the Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committees have been complied with.

Our Board has been constituted in compliance with the Companies Act and the SEBI Listing Regulations and in accordance with the best practices in corporate governance. Our Board functions either as a full board or through various committees constituted to oversee specific operational areas. The executive management provides our Board detailed reports on its performance periodically.

Our Board of Directors 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 more than 50% of the Board of Directors and 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 November 25, 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 NSE ("NSE Emerge"), The constituted Audit Committee comprises following members:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Lucas Peter Thalakala	Chairman	Non Executive-Independent Director
Vice Admiral (retd.) Satish Soni	Member	Non Executive-Independent Director
Mr. Radhakrishana Garapati	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 answer shareholder queries. The scope and function of the Audit Committee and its terms of reference shall include the following:

A. Tenure: The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

B. Meetings of the Committee: The committee shall meet at least four times in a year and not more than 120 days shall elapse between any two meetings. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher but there shall be presence of minimum two Independent members at each meeting.

C. Role and Powers: The Role of Audit Committee together with its powers as Part C of Schedule II of SEBI Listing Regulation, 2015 and Companies Act, 2013 shall be as under:

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval, with particular reference to;
 - matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - changes, if any, in accounting policies and practices and reasons for the same;
 - major accounting entries involving estimates based on the exercise of judgment by management;

RKEC PROJECTS LIMITED

- significant adjustments made in the financial statements arising out of audit findings;
 - compliance with listing and other legal requirements relating to financial statements;
 - disclosure of any related party transactions;
 - modified opinion(s) in the draft audit report;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
 7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
 8. Approval or any subsequent modification of transactions of the listed entity with related parties;
 9. Scrutiny of inter-corporate loans and investments;
 10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
 11. Evaluation of internal financial controls and risk management systems;
 12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 14. Discussion with internal auditors of any significant findings and follow up there on;
 15. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.
 16. Discussing with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 17. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
 18. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 19. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in section 177(4) of Companies Act 2013 or referred to it by the Board.
 20. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 21. To review the functioning of the whistle blower mechanism;
 22. Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate; and;
 23. Audit committee shall oversee the vigil mechanism.
 24. Audit Committee will facilitate KMP/auditor(s) of the Company to be heard in its meetings.
 25. Carrying out any other function as is mentioned in the terms of reference of the audit committee or containing into SEBI Listing Regulations 2015.

Further, the Audit Committee shall mandatorily review the following:

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

Our Company has formed the Stakeholders Relationship Committee as per Regulation 20 of SEBI Listing Regulation, 2015 vide Resolution dated November 25, 2016. The constituted Stakeholders Relationship Committee comprises the following:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Lucas Peter Thalakala	Chairman	Non Executive-Independent Director
Vice Admiral (retd.) Satish Soni	Member	Non Executive-Independent Director
Mr. Radhakrishana Garapati	Member	Chairman and Managing Director

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

- A. Tenure:** The Stakeholders Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholders Relationship Committee as approved by the Board.
- B. Meetings:** The Stakeholders Relationship Committee shall meet at least four times a year with maximum interval of four months between two meetings and shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. The quorum shall be two members present.
- C. Terms of Reference:** Redressal of shareholders' and investors' complaints, including and in respect of:
- Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the space at back for recording transfers have been fully utilized.
 - Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
 - Review the process and mechanism of redressal of Shareholders' /Investor's grievance and suggest measures of improving the system of redressal of Shareholders' /Investors' grievances.
 - Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
 - Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
 - Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of insider Trading) Regulations, 2015 as amended from time to time.
 - Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting, and
 - Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

3. Nomination and Remuneration Committee

Our Company has formed the Nomination and Remuneration Committee as per Regulation 19 of SEBI Listing Regulation, 2015 vide Resolution dated November 25, 2016. The Nomination and Remuneration Committee comprise the following:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Lucas Peter Thalakala	Chairman	Non Executive-Independent Director
Vice Admiral (retd.) Satish Soni	Member	Non Executive-Independent Director
Lt. Gen. (retd.) Peruvemba Ramachandran Kumar	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.

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The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher. The Chairperson of the nomination and remuneration committee may be present at the annual general meeting, to answer the shareholders' queries; however, it shall be up to the chairperson to decide who shall answer the queries.

C. Role of Terms of Reference:

- Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board for their appointment and removal and shall carry out evaluation of every director's performance;
- Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for directors, KMPs and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- Determine our Company's policy on specific remuneration package for the Managing Director / Executive Director including pension rights;
- Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors;
- Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
- Decide the amount of Commission payable to the Whole time Directors;
- Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc; and
- To formulate and administer the Employee Stock Option Scheme.

POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING

The provisions of regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the SME platform of NSE. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on stock exchanges. Further, Board of Directors at their meeting held on November 25, 2016 have approved and adopted the policy on insider trading in view of the proposed public issue.

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

POLICY FOR DETERMINATION OF MATERIALITY & MATERIALITY OF RELATED PARTY TRANSACTIONS AND ON DEALING WITH RELATED PARTY TRANSACTIONS

The provisions of the SEBI (Listing Obligation and Disclosures) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on SME Platform of NSE. We shall comply with the requirements of the SEBI (Listing Obligation and Disclosures) Regulations, 2015 on listing of Equity Shares on the SME platform of NSE. The Board of Directors at their meeting held on November 25, 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.

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	Compensation paid for F.Y. ended 2016 (in ₹ Lacs)	Overall experience (in years)	Previous employment

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Mr. Radhakrishna Garapati Designation – Chairman and Managing Director Educational Qualification – Bachelor in Engineering	53	2005	90.00	30	M/s R.K. Engineers and Contractors
Mrs. Parvathi Devi Garapati Designation –Whole- time Director Educational Qualification – Bachelor in Science	51	2005	48.00	10	NIL
Ms. Swapna Bansode Designation: Company Secretary and Compliance Officer Educational Qualification: ACS, MBA	28	2016	Nil	Nil	Nil
Brig. (Retd.) G V Satyanarayana Designation: Chief Financial Officer Educational Qualification: M. Sc and M. Phil	60	2016*	Nil	35	Indian Army

*designated as CFO in the year 2016

BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL

Mr. Radhakrishna Garapati is the Chairman and Managing Director of our Company. He holds degree of Bachelor of Engineering in Mechanical Engineering from Andhra University. He has over 3 decades of experience and specialization in civil and Mechanical construction works. Prior to the formation of our Company, he was a sole proprietor of M/s R. K. Engineers and Contractors. Mr. Radhakrishna Garapati liaises with various departments of the government and also overlooks processes including tendering, bidding and planning the projects. He is instrumental in taking major policy decision of the Company. He is playing vital role in identifying, developing and formulating business strategies and effective implementation of the same and significantly contributed towards expansion of the company.

Mrs. Parvathi Devi Garapati is the Whole Time Director of our Company. She holds degree of Bachelor's in Science. She joined our Company as Director since incorporation of our Company. She has over 10 Years of experience in the field of finance. She is responsible for overseeing the overall functioning of our Company, especially the financial management. She looks after budgeting, planning and monitoring process which has leveraged the timely completion of our projects along with overall finance and cash flow management of our Company.

Ms. Swapna Bansode is Company Secretary and Compliance officer of our Company. She is a qualified Company Secretary from Institute of Company Secretaries of India. She holds a Master in Business Administration degree from SNVMV. She looks after the overall corporate governance and secretarial matters of our Company.

Brigadier (reted.) G V Satyanarayana is the Chief Financial Officer of our Company. He is a graduate in a Defence Services Staff College, Wellington and has done the prestigious Higher Command Course. He has completed M. Phil from Devi Ahilya Vishwa Vidhyalya, Indore and M Sc in Defence Studies from Madras University. He has a military background. He has served for more than 3 decades in Indian Army at various positions such as Black Cat Commando, Chief Operations Advisor, etc. He has been awarded by Vishist Seva Medal by President of India and Unit Citation by GOC in C of Northern Command. He has been associated with our Company from September, 2012.

We confirm that:

- Except our Company Secretary cum Compliance Officer who has been appointed on probation for a period of 5 months, all the persons named as our Key Managerial Personnel above are the permanent employees of our Company.
- 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.
- None of our KMPs except Mr. Radhakrishna Garapati and Mrs. Parvathi Devi Garapati who also form part of Board are related to each other.
- In respect of all above mentioned Key Managerial Personnel there has been no contingent or deferred compensation accrued for the year ended March 2016.

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- e) Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements or service contracts (including retirement and termination benefits) with the issuer.
- f) Our Company does not have any bonus/profit sharing plan for any of the Key Managerial Personnel.
- g) None of the Key Managerial Personnel in our Company hold any shares of our Company as on the date of filing of this Draft Prospectus except as under:-

Sr. No.	Name of the KMP	No. of Shares Held
1.	Mr. Radhakrishna Garapati	1,93,01,700
2.	Mrs. Parvathi Devi Garapati	10,000

- a. Presently, we do not have ESOP/ESPS scheme for our employees.
- b. The turnover of KMPs is not high, compared to the Industry to which our company 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.	Mr. Radhakrishna Garapati	Re- designated as Chairman and Managing Director Appointed as Managing Director	December 01, 2016 April 01, 2015	Appointment
2.	Mrs. Parvathi Devi Garapati	Re- designated Whole time Director	December 01, 2016	Appointment
3.	Brig. (retd.) G V Satyanarayana	Appointment as the Chief Financial Officer	November 20, 2016	Appointment
4.	Ms. Swapna Bansode	Appointment as the Company Secretary & Compliance Officer	December 01, 2016	Appointment

Interest of Our Key Managerial Persons

Apart from the shares held in the Company and to extent of remuneration allowed and reimbursement of expenses incurred by them for or on behalf of the Company and to the extent of loans and advances made to or borrowed from the Company, none of our key managerial personal are interested in our Company.

Except as provided in this Draft Prospectus, we have not entered into any contract, agreement or arrangement during the preceding 2 (two) years from the date of this Draft 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 156 of this Draft Prospectus.

OTHER BENEFITS TO OUR KEY MANAGERIAL PERSONNEL

Except as stated in this Draft 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 81 of this Draft Prospectus.

OUR PROMOTER & PROMOTER GROUP

Mr. Radhakrishna Garapati is the Promoter of our Company.

As on the date of this Draft Prospectus, Mr. Radhakrishna Garapati holds 1,93,01,700 Equity Shares of our Company. Our Promoter and Promoter Group will continue to hold the majority of our post- Issue paid-up equity share capital of our Company.

Details of our Promoter:-

	Mr. Radhakrishna Garapati, Chairman & Managing Director	
	Qualification	B.E. (Mechanical Engineering)
	Age	53 Years
	Address	7-17-9/1, P.No. 69 Indraprastha Kirlampudi, Visakhapatnam-530023, Andhra Pradesh.
	Experience	30 years
	Occupation	Business
	Permanent Account Number	AEEPG6239F
	Passport Number	H6439338
	Name of Bank & Bank Account Details	Andhra Bank Account no. 402601011000324
	Driving License Number	3014-B5-1989
	Aadhar Card Number	2628 6953 8868
	No. of Equity Shares held in RKEC [% of Shareholding (Pre Issue)]	1,93,01,700 Equity Shares of ₹ 10 each; 99.95% of Pre- Issue Paid up capital
	DIN	00073080
	Other Interests	Directorships in other Companies: 1. Naram Enterprises Private Limited Partnership Firms:- Nil Proprietorship:- Nil HUF:- Nil Trust:- Nil

Declaration

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

Undertaking/ Confirmations

None of our Promoter 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 Promoter, person in control of our Company are or have ever been a promoter, director or person in control of any other company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, neither our Promoter, the promoter group members nor our Group Company have been declared as a willful defaulter by the RBI or any other government authority nor there are any violations of securities laws committed by them in the past and no proceedings for violation of securities laws are pending against them.

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Change in the management and control of our company

Our Promoter, Mr. Radhakrishna Garapati is the original promoter of our Company and there has not been any change in the management or control of our Company in the last five years immediately preceding the date of filing of the Draft Prospectus.

Common Pursuits/ Conflict of Interest

Our Group company Naram Enterprises Private Limited is engaged in similar line of business i.e. civil construction as our Company as on date of this Draft Prospectus. For further details of our Group company refer to Section titled “Group Company” on page 124 of the Draft 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 Promoter is 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 Directors” and “Our Management – Interest of Key Managerial Personnel” on pages 128 & 107 of this Draft Prospectus, respectively.

Interest in the property of Our Company

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

Name of Promoter	Interest and nature of interest
Mr. Radhakrishna Garapati	Our company has vide an agreement dated April 01, 2006 has taken over the assets and liabilities of the proprietary business of our promoter namely RK Engineers & Contractors. Under the terms of the agreement the company has taken over all the properties both movable and immovable for a consideration of 901.00 lakhs paid by allotment of fully paid shares of our company.

Except as disclosed above, our Promoter have no interest in acquisition of land, construction of building and supply of machinery undertaken by our Company.

Other Interest of Promoter

Our Promoter Mr. Radhakrishna Garapati is interested to the extent of his shareholding and shareholding of his relatives in our Company. Our Promoter Mr. Radhakrishna Garapati who is also the Managing Director & Chairman of our Company may be deemed to be interested to the extent of his remuneration, as per the terms of his appointment and reimbursement of expenses payable to him. Our Promoter may also be deemed interested to the extent of any unsecured loan given/taken by him to/from our Company.

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

Sr. No.	Interest and nature of interest
1.	Our Promoter Mr. Radhakrishna Garapati has extended his personal guarantee against the total borrowings of ₹ 13500 lakhs taken by our company from Vijaya Bank.
2.	Our promoter Mr. Radhakrishna Garapati have provided security of his personal property situated at D No 58-15-114/3, S.No 21/C, and, D No 58-15-114, S. No. 21/C, Butchirajupalem, Visakhapatnam, ½ Plot No 7, S.No 38/2, DNo 58-81-71, Rajendra Nagar, Resapuvanipalem, Visakhapatnam, Agri land situated at S.No 12/5, S.No 13, S.No 11/4 at Narapam Village, Residential building situated at S.No 3/2, Plot No HIG-3, DNo 39-33-30, Madhavaddhara, VUDA Layout Visakhapatnam against the total borrowing ₹ 13500 lakhs taken by our company from Vijaya Bank.
3.	Relative of our Promoter namely Mrs. Parvathi Devi Garapati has provided security of her personal property against the total borrowings of ₹ 13500 lakhs taken by our company from Vijaya Bank.

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4.	Relative of our Promoter Mrs. Parvathi Devi Garapati, Naga Pushyami Garapati & Himabindu Sree Garapati have extended their personal guarantee against the total borrowings of ₹ 13500 Lakhs taken by our company from Vijaya Bank.
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For transaction in respect of loans and other monetary transaction entered in past please refer Annexure R on “Related Party Transactions” on page 156 forming part of “Financial Information of the Company” of this Draft Prospectus.

Except as stated otherwise in this Draft Prospectus, our Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of this Draft Prospectus or proposes to enter into any such contract in which our Promoter are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them.

Related Party Transactions

For the transactions with our Promoter Group entities please refer to section titled “Annexure - R” Related Party Transactions” on page 156 of this Draft Prospectus.

Except as stated in “Annexure - R” Related Party Transactions” beginning on page 156 of the Draft Prospectus, and as stated therein, our Promoter or any of the Promoter Group Entities do not have any other interest in our business.

Payment or Benefit to Promoter of Our Company

For details of payments or benefits paid to our Promoter, please refer to the chapter titled “Our Management” beginning on page 107 of this Draft Prospectus. Also refer Annexure R on “Related Party Transactions” on page 156 forming part of “Financial Information of the Company” of this Draft Prospectus.

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

Our Promoter have not disassociated themselves from any of the Companies, Firms or other entities during the last three years preceding the date of this Draft Prospectus.

Other ventures of our Promoter

Save and except as disclosed in this section titled “Our Promoter and Promoter Group” and “Our Group Company” beginning on page 120 & 124 respectively of this Draft Prospectus, there are no ventures promoted by our Promoter in which they have any business interests/ other interests as on date of this Draft Prospectus.

Litigation details pertaining to our Promoter

For details on litigations and disputes pending against the Promoter and defaults made by the Promoter please refer to the section titled “Outstanding Litigations and Material Developments” beginning on page 176 of this Draft Prospectus.

OUR PROMOTER GROUP

In addition to the Promoter 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 Promoter), other than the Promoter, are as follows:

Relationship	Mr. Radhakrishna Garapati
Father	Late G.Satyanarayana
Mother	Late G.Subbayamma
Spouse	Parvathi Devi Garapati
Brother	G.Veeraraghavulu G.Venkateswara Rao Late G.Gangadhara Rao

Sister	Late G.Sita Ratnam K.Butchi Ratnam
Son	--
Daughter	G.Naga Pushyami G.Hima Bindu Sree
Spouse's Father	Late Shri G.Venkata Ramaiah
Spouse's Mother	G.Suryakantham
Spouse's Brother	G.Venkata Satyanarayana
Spouse's Sister	N V Lakshmi Santha Kumari E Nagamani

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 Promoter or an immediate relative of the Promoter or a firm or HUF in which the promoter or any one or more of his immediate relative is a member.	Naram Enterprises Private Limited
Any Body corporate in which a body corporate as provided above holds ten percent or more of the equity share capital	--
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	Proprietorship:- Nil Firm:- Nil HUF:- Nil Trust:- Nil

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 November 25, 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) Regulation, 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:-

Naram Enterprises Private Limited

As on the date of this Draft Prospectus except as stated above, our Board has determined that there are no other companies connected to our Promoter 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 Company are provided below:

1. Naram Enterprises Private Limited:-

Brief Description of Business	To engage in the business of construction and maintenance of buildings, structures, roads, railways and other super structures. To do the business of all types of ferrous and non ferrous metal, ores, minerals, home appliances and other goods and material.		
Date of Incorporation	February 15, 2013		
CIN	U51909AP2013PTC085755		
PAN	AAECN3157C		
Registered Office Address	Door No. 10-12-1, Rednam Alcazar, 3 rd Floor Opp. SBI Main Branch, Old Jail Road, Rednam Gardens Visakhapatnam 530020, Andhra Pradesh		
Board of Directors	Name	DIN	
	Radhakrishna Garapati	00073080	
	Parvathi Devi Garapati	00094961	
	Venkata Krishna Mohan Gudapati	07549601	
	<i>(Rs. in Lacs, rounded off except per share data)</i>		
Audited Financial Information	For The Year Ended		
	March 31, 2016	March 31, 2015	March 31, 2014
Paid Up Equity Share Capital	1.00	1.00	1.00
Reserves and Surplus (excluding Revaluation Reserve and Less Miscellaneous Expenses, if any)	(4.88)	12.40	10.61
Net worth	(3.88)	13.40	11.61
Income including other income and exceptional items	0	65.55	308.96
Profit/ (Loss) after tax	(17.28)	1.79	10.61
Earnings per share (face value of Rs. 10 each)	(172.84)	17.89	106.14
Net asset value per share (Rs)	(38.81)	134.03	116.14

Shareholding Pattern as on March 31, 2016 is as follows:

Name of the Equity Shareholder	No. of Shares held	%age of Shareholding
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G V Rammohan	3500	35.00
G Naga Pushyami	3500	35.00
G V Satyanarayana	1000	10.00
Parvathi Devi Garapati	1000	10.00
Radhakrishna Garapati	1000	10.00
TOTAL	10000	100.00

Nature and extent of interest of our Promoter:

Our promoter may be interested to the extent of his shareholding and the shareholding of their relative in Naram Enterprises Private Limited. Our Promoter Mr. Radhakrishna Garapati and his wife Mrs. Parvathi Devi Garapati hold the position of Director in Naram Enterprises Private Limited.

Naram Enterprises 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, 1985 nor is under winding up.

Details of Group Companies with Negative Net Worth/Losses**Naram Enterprises Private Limited**

For details in relation to Naram Enterprises Private Limited, see section “*Our Group Company -Details of Group Company*” on page 124 of this Draft Prospectus.

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 176 of this Draft Prospectus.

Undertaking/Confirmations:

None of our Group Company or person in control of our Company has been

- (i) prohibited or debarred from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority or
- (ii) Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

Further, our Group Company has not 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.

Our Group Company has not become a sick Company under the SICA and further, no application has been made in respect of our Group company, to the Registrar of Companies for striking off its name. Further no winding up proceedings have been initiated against our Group Company.

Nature and Extent of Interest of Group Company**(a) In the promotion of our Company**

None of our Group Company have any interest in the promotion of our Company or any business interest or other interests in our Company, except to the extent identified in chapter titled “*Financial Information of the Company–Annexure R- Related Party Transactions*” on page 156 of this Draft Prospectus.

(b) In the properties acquired or proposed to be acquired by our Company in the past 2 years before filing the Draft Prospectus with Stock Exchange

Our Group Company 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 Draft 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 81 of this Draft Prospectus, our Group Company is not interested in any transactions for the acquisition of land, construction of building or supply of machinery.

Common Pursuits/Conflict of interest

Except for as disclosed in this Draft Prospectus, none of our Promoter/ Group Company has any common pursuits. For details please refer to chapter titled “*Our Promoter and Promoter Group*” on page 120 of this Draft Prospectus.

As on the date of the Draft Prospectus, we cannot assure that our Promoter, Promoter Group/Group Company 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 Company 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 156 of this Draft Prospectus.

Sales / Purchase between our Company and Group Company:

For details relating to sales or purchases between our Company and any of our Group Company 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 156 of this Draft Prospectus.

Business Interests amongst our Company and Group Company /Associate Company

Except as mentioned under Related Party Transactions, “*Annexure R*” beginning on page 156 under Chapter titled “*Financial Information of the Company*” there is no business interest among Group Company.

Defunct /Struck-off Company

None of our Group Company has remained defunct and no application has been made to Registrar of Companies for Striking off their name from the Register of Companies, during the five years preceding the date of filing this draft prospectus.

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 128 under Chapter titled “*Financial Information of the Company*” beginning on page 128 of the Draft Prospectus, there have been no changes in the accounting policies in the last three years.

DIVIDEND POLICY

The declaration and payment of dividends, if any, will be recommended by our Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and the Companies Act, 2013. The dividend, if any, will depend on a number of factors, including but not limited to earnings, Company's future expansion plan, contractual restrictions applicable, legal restrictions, capital requirements within the company, contractual obligations including restrictive covenants under the financing agreements our Company may enter into to finance the fund requirements for our business activities and overall financial position of our Company and also other factors considered relevant by the Board of Directors.

Our Company has not declared any dividend on the Equity Shares in the last five financial years from the date of filing of this Draft Prospectus. Our dividend history is not necessarily an indicative of the dividend amounts, if any, or our dividend policy, in the future. Our Company currently has no formal dividend policy.

SECTION V – FINANCIAL INFORMATION OF THE COMPANY

AUDITORS' REPORT ON RESTATED FINANCIAL STATEMENTS

Independent Auditors' Report

(As required by Section 26 of Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014)

To,

The Board of Directors,
RKEC Projects Limited
10-12-1, Rednam Alcazar,
3rd Floor, Opp. SBI Main Branch,
Old Jail Road, Rednam Gardens
Visakhapatnam, A.P. -530020,
India.

Dear Sirs,

1. Report on Restated Financial Statements

We have examined the Restated Financial Statements of M/s. RKEC Projects Limited (formerly known as RKEC Projects Private Limited) (hereinafter referred as “the Company”), the summarized statements of which annexed to this report have been prepared in accordance with the requirements of:

- a) Section 26 of Companies Act, 2013 (hereinafter referred to as the “Act”), read with the applicable provisions within Rule - 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended;
 - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“the Regulation”) (“SEBI ICDR Regulations”) issued by the Securities and Exchange Board of India (SEBI) and amendments made thereto from time to time;
 - c) The terms of reference to our engagements with the Company requesting us to examine financial statements referred to above and proposed to be included in the Draft Prospectus/ Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in SME Platform of NSE (“IPO” or “SME IPO”);
 - d) The (Revised) Guidance Note on Reports in Company Prospectuses issued by the Institute of Chartered Accountants of India (“ICAI”);and
 - e) In terms of Schedule VIII of the SEBI (ICDR) Regulations, 2009 and other provisions relating to accounts, We, Mansaka Ravi & Associates, 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. 008582 dated 23.12.2015 issued by the “Peer Review Board” of the ICAI.
2. The Restated Summary Statements and Financial information of the Company have been extracted/ prepared by the management from the Audited Financial Statements of the Company for the Half Year ended on September 30, 2016 and financial year ended on March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 & March 31, 2012, which have been approved by the Board of Directors.
3. Information of the Company are for the half year ended on September 30, 2016 and financial year ended on March 31, 2016, 2015, 2014, 2013 & 2012 which have been audited by M/s Ramasubba Rao & Co., Chartered Accountants and books of account underlying those financial statements and other records of the Company, to the extent considered necessary by us, have been examined for the presentation of the Restated Summary Statements under the requirements of Schedule III of the Act.
4. Financial Information as per Audited Financial Statements:

- 1) We have examined:
 - i. The attached Restated Statement of Assets and Liabilities of the Company at September 30, 2016, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012 (Annexure I);
 - ii. The attached Restated Statement of Profits and Losses of the Company for the half year ended as on September 30, 2016 and financial year ended on March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012 (Annexure II);
 - iii. The attached Restated Statement of Cash Flows of the Company for the half year ended on September 30, 2016 and financial year ended on March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012 (Annexure III);
 - iv. The Significant Accounting Policies adopted by the Company and notes to the Restated Financial Statements along with adjustments on account of audit qualifications / adjustments / regroupings. (Annexure IV);

(Collectively hereinafter referred as “Restated Financial Statements” or “Restated Summary Statements”)

- 2) In accordance with the requirements of sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014, 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 (the ‘ICAI’) and the terms of our engagement agreed with you, we report that:
 - a) The “Restated Statement of Assets and Liabilities” as set out in Annexure I to this report, of the Company for the half year ended as at September 30, 2016 and financial year ended as at March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013, and March 31, 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.
 - b) The “Restated Statement of Profit and Loss” as set out in Annexure II to this report, of the Company for the half year ended as on September 30, 2016 and financial year ended on March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 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.
 - c) The “Restated Statement of Cash Flow” as set out in Annexure III to this report, of the Company for the half year ended as on September 30, 2016 and financial year ended on March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 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 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 Statutory Auditor of the Company for the half year ended on September 30, 2016 and financial years ended on March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012, we are of the opinion that “Restated Financial Statements” or “Restated Summary Statements” have been made after incorporating:

- (i) Adjustments for any material amounts in the respective financial years have been made to which they relate; and

- (ii) 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.
- (iii) 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.
- (iv) 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.
- (v) There are no revaluation reserves, which need to be disclosed separately in the “Restated Financial Statements”.
- (vi) The Company has not declared any dividend on its equity shares during the period from 01st April, 2011 to 30th September, 2016.

5. Other Financial Information:

1. We have also examined the following financial information as set out in annexure prepared by the Management and as approved by the Board of Directors of the Company for the half year ended as on September 30, 2016 and for the financial year ended on March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012.

Restated Statement of Share Capital, Reserves And Surplus	Annexure-A
Restated Statement of Long Term And Short Term Borrowings	Annexure-B, B(A)
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 Long-Term Loans & Advances	Annexure-H
Restated Statement of Inventories	Annexure-I
Restated Statement of Trade Receivables	Annexure-J
Restated Statement of Cash & Cash Equivalents	Annexure-K
Restated Statement of Short-Term Loans And Advances	Annexure-L
Restated Statement of Other Current Assets	Annexure-M
Restated Statement of Other Income	Annexure-N
Restated Statement of Turnover	Annexure-O
Restated Statement of Mandatory Accounting Ratios	Annexure-P
Restated Statement of Capitalization	Annexure-Q
Restated Statement of Related party transaction	Annexure-R
Restated Statement of Contingent liabilities	Annexure-S
Restated Statement of Tax Shelter	Annexure-T

2. The Restated Financial Information contain all the disclosures required by the SEBI ICDR regulations and partial disclosures as required by 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.
3. We have carried out Re-audit of the financial statements for the Year ended on March 31, 2016 and stub period ended on September 30, 2016 as required by SEBI regulations. We have not audited any financial statements of the Company as of any date or 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.

4. 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.
5. In our opinion, the above financial information contained in Annexure I to Annexure III and Annexure A to V of this report read along with the Restated Statement of Significant Accounting Policies and related Notes as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with Section 26 of the Act, read with the applicable provisions within Rule - 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, the SEBI Regulations, The Revised Guidance Note on Reports in Company Prospectuses 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 agreed with you. We did not perform audit tests for the purpose of expressing an opinion on individual balances of account or summaries of selected transactions, and accordingly, we express no such opinion thereon.
6. Consequently the financial information has been prepared after making such regroupings and retrospective 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 financial information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
7. 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.
8. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
9. 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.

6. 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.

7. 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;



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- a) In the case of Restated Statement of Assets and Liabilities of the Company as at September 30, 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 Company for the half year ended on September 30, 2016 and Financial Year ended on March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012

- c) In the case of the Restated Cash Flow Statement of the Company for the half year ended on September 30, 2016 and Financial Year ended on March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012.

For Mansaka Ravi & Associates
Chartered Accountants
FRN: 015023C
PRC No. 008582

Ravi Mansaka, FCA
Partner
M. No. 410816

Place: Jaipur
Date: 10/12/2016

ANNEXURE – I

RESTATED STATEMENT OF ASSETS AND LIABILITIES

(Amt in Rs.)

Particulars	As at					
	30/09/2016	31/03/2016	31/03/2015	31/03/2014	31/03/2013	31/03/2012
I. EQUITY AND LIABILITIES						
Shareholder's Funds						
Share Capital	96,563,000	96,563,000	96,563,000	96,563,000	96,563,000	96,563,000
Reserves and Surplus (excluding Revaluation Reserves, if any)	196,460,715	159,719,252	127,775,037	108,650,714	97,889,706	69,899,787
Money received against share warrants	-	-	-	-	-	-
Share Application Money Pending Allotment	-	-	-	99,840	99,840	99,840
Non Current Liabilities						
Long-term Borrowings	-	-	3,100,331	18,749,764	23,433,567	39,012,016
Deferred tax liabilities (Net)	-	-	-	-	-	-
Other Long Term Liabilities	-	-	-	-	-	-
Long-term Provisions	2,681,039	2,160,214	1,070,560	883,992	198,070	206,230
Current Liabilities						
Short-term Borrowings	123,080,874	149,833,476	95,323,700	161,334,820	90,037,284	187,470,970
Trade Payables	221,359,651	193,974,101	100,908,476	139,755,108	228,148,080	105,753,696
Other Current Liabilities	612,085,927	521,103,264	136,278,181	142,429,940	230,397,419	217,049,521
Short-term Provisions	12,870,332	23,521,170	15,760,859	20,288,399	39,421,452	31,347,698
Total	1,265,101,538	1,146,874,477	576,780,143	688,755,577	806,188,418	747,402,758
II. ASSETS						
Non Current Assets						
Fixed assets						
(i) Tangible Assets	102,503,572	122,057,610	149,554,276	173,384,352	199,093,705	227,009,120
(ii) Intangible Assets	46,879	57,266	36,286	49,244	61,684	-
(iii) Capital Work-In-Progress	-	-	-	-	-	-
(iv) Intangible Assets Under Development	-	-	-	-	-	-
Non Current Investments	-	-	-	-	-	-
Deferred Tax Assets (Net)	3,048,592	12,099,596	9,896,669	7,287,844	9,075,818	7,187,839
Long-term Loans and Advances	1,448,040	-	-	-	-	-
Other Non Current Assets	-	-	-	-	-	-
Current Assets						
Current Investments	-	-	-	-	-	-
Inventories	417,365,477	479,481,151	164,042,130	109,594,900	54,706,367	24,486,001
Trade Receivables	377,899,847	191,452,641	149,190,248	182,915,044	324,391,426	265,278,252
Cash and Cash Equivalents	189,097,868	237,278,920	43,956,436	174,945,893	174,091,184	158,868,859
Short-term Loans and Advances	144,843,522	66,617,177	36,000,820	22,021,822	11,777,701	28,992,702
Other Current Assets	28,847,740	37,830,117	24,103,278	18,556,477	32,990,533	35,579,985
Total	1,265,101,538	1,146,874,477	576,780,143	688,755,577	806,188,418	747,402,758
Note:- The above statement should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure IV, II and III.						

ANNEXURE – II

RESTATED STATEMENT OF PROFIT AND LOSS

(Amt in Rs.)

Particulars		For the Half	For the Year ended				
		Year ended	31/03/2016	31/03/2015	31/03/2014	31/03/2013	31/03/2012
		30/09/2016	31/03/2016	31/03/2015	31/03/2014	31/03/2013	31/03/2012
Revenue from Operations		815,421,587	1,125,813,819	708,368,804	572,559,549	793,990,165	1,004,945,087
Other income		21,371,261	9,242,668	9,099,837	13,841,344	19,192,415	9,184,364
Total Revenue	A	836,792,848	1,135,056,487	717,468,641	586,400,893	813,182,580	1,014,129,451
Expenses:							
Purchase of Material		311,418,010	568,317,254	286,249,660	231,965,932	377,293,546	433,375,946
Employee Benefits Expense		57,732,079	81,006,498	49,060,570	48,785,886	82,044,642	76,628,055
Administrative and other Expenses		248,422,368	460,587,729	282,309,167	251,420,538	270,406,573	277,381,384
Finance Costs		32,617,732	53,180,637	32,410,156	42,452,367	36,078,076	33,704,064
Depreciation And Amortization Expense		13,287,118	34,381,497	40,178,898	35,507,696	34,915,290	33,578,673
Changes in inventory of Stock in Trade		117,774,645	(114,613,576)	(3,509,052)	(54,888,533)	(30,220,368)	101,392,177
Total Expenses	B	781,251,952	1,082,860,039	686,699,399	555,243,886	770,517,759	956,060,299
Profit before exceptional and extraordinary items and tax (A-B)	C	55,540,896	52,196,448	30,769,242	31,157,007	42,664,821	58,069,152
Exceptional/Prior Period item		(11,072)	(478,779)	(394,090)	(403,970)	(348,802)	(183,950)
Profit before extraordinary items and tax		55,529,824	51,717,669	30,375,152	30,753,037	42,316,019	57,885,202
Extraordinary item		-	-	-	8,186,974	-	6,400,994
Profit Before Tax		55,529,824	51,717,669	30,375,152	22,566,063	42,316,019	51,484,208
Provision for Tax							
- Current Tax		11,185,397	21,976,381	12,745,379	10,017,081	15,837,139	20,441,785
- Deferred Tax Liability / (Asset)		9,051,004	(2,202,927)	(2,608,824)	1,787,974	(1,887,979)	(7,187,839)
MAT Credit Entitlement		(1,448,040)	-	-	-	-	-
Short/(Excess) Tax adjustment of prior years		-	-	631,500	-	376,940	591,438
Restated profit after tax for the period from continuing operations		36,741,464	31,944,215	19,607,097	10,761,008	27,989,919	37,638,824
Profit/ (Loss) from Discontinuing operation		-	-	-	-	-	-
Tax expenses of discontinuing operations		-	-	-	-	-	-
Restated profit for the period		36,741,464	31,944,215	19,607,097	10,761,008	27,989,919	37,638,824

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

ANNEXURE – III

RESTATED CASH FLOW STATEMENT

(Amt in Rs.)

Particulars	For the Half Year ended	For the Year ended				
	30/09/2016	31/03/2016	31/03/2015	31/03/2014	31/03/2013	31/03/2012
CASH FLOW FROM OPERATING ACTIVITIES						
Net Profit before tax	55,529,824	51,717,669	30,375,152	22,566,063	42,316,019	51,484,208
Adjustment for :						
Less: Interest on Fixed Deposit	(5,922,286)	(8,101,415)	(9,213,585)	(13,841,344)	(19,192,415)	(8,651,899)
Less: Profit on sale of Fixed Assets	(14,957,607)	(1,141,253)	113,748	-	-	-
Add: Loss by Cyclone-Fixed Assets	-	-	-	-	-	6,400,994
Add: Loss by sale of Fixed Assets	-	-	-	1,087,455	3,802,942	1,716,024
Add: Depreciation	13,287,118	34,381,497	40,178,898	35,507,696	34,915,290	33,578,673
Add: Provision of Gratuity	645,013	1,212,823	198,043	700,496	(10,359)	210,817
Add: Interest on Borrowed Fund & Finance Charges	32,617,732	53,180,637	11,603,490	16,013,656	15,999,018	8,079,147
Operating profit before working capital changes	81,199,794	131,249,958	73,255,746	62,034,022	77,830,495	92,817,964
Adjustment for :						
(Increase)/Decrease in Inventories	62,115,674	(315,439,021)	(54,447,230)	(54,888,533)	(30,220,367)	101,392,177
(Increase)/Decrease in Trade Receivables	(186,447,206)	(42,262,393)	33,724,796	141,476,382	(59,113,174)	(184,107,486)
(Increase)/Decrease in Short Term loans and advances	(78,226,345)	(30,616,357)	(13,978,998)	(10,244,121)	17,215,001	(1,097,438)
(Increase)/Decrease in Other Current Assets	8,982,376	(13,726,839)	(5,546,801)	14,434,055	2,589,452	(10,268,107)
(Increase)/Decrease in Long Term loans and advances	-	-	-	-	-	-
Increase/(Decrease) in trade payables	27,385,550	93,065,625	(38,846,632)	(88,392,972)	122,394,384	22,125,413
Increase/(Decrease) in Short Term Borrowings	(26,752,602)	54,509,776	(66,011,120)	71,297,536	(97,433,686)	70,409,486
Increase/(Decrease) in Short term provisions	15,958	(1,593,859)	(7,267,314)	(13,327,569)	12,680,599	9,777,587
Increase/(Decrease) in other current liabilities	90,982,662	384,825,084	(6,151,764)	(87,967,479)	13,347,900	43,017,043
	(101,943,933)	128,762,016	(158,525,062)	(27,612,700)	(18,539,891)	51,248,674
Cash generated from / (used in) operations	(20,744,139)	260,011,974	(85,269,317)	34,421,322	59,290,604	144,066,639
Income Tax paid/(refund)	21,976,381	12,745,379	10,648,581	15,837,139	20,818,725	11,861,564
Net cash generated from/(used in) operating activities - (A)	(42,720,520)	247,266,595	(95,917,894)	18,584,180	38,471,877	132,205,076
CASH FLOW FROM INVESTING ACTIVITIES						
Purchase of tangible fixed assets	(11,765,086)	(8,314,558)	(17,382,385)	(13,522,357)	(37,364,500)	(111,112,620)
(Increase)/Decrease in Capital Work-in-Progress	-	-	-	-	-	26,297,319
Sale of fixed Assets	33,000,000	2,550,000	450,000	2,649,000	26,500,000	995,860
(Increase)/Decrease in other Non- Current Assets	-	-	-	-	-	-
Interest Income on Fixed	5,922,286	8,101,415	9,213,585	13,841,344	19,192,415	8,651,899

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Deposit						
Dividend Income	-	-	-	-	-	-
Net cash (used in) Investing Activities - (B)	27,157,200	2,336,857	(7,718,800)	2,967,987	8,327,915	(75,167,542)
CASH FLOW FROM FINANCING ACTIVITIES						
Proceeds from Loan	-	(3,100,331)	(15,649,433)	(4,683,803)	(15,578,449)	4,244,338
Repayment of Share Application Money	-	-	(99,840)	-	-	-
Interest on Borrowed Fund	(32,617,732)	(53,180,637)	(11,603,490)	(16,013,656)	(15,999,018)	(8,079,147)
Dividend & DDT	-	-	-	-	-	-
Net cash(used in) / from financing activities - (C)	(32,617,732)	(56,280,968)	(27,352,763)	(20,697,459)	(31,577,467)	(3,834,809)
Net Increase/(decrease) in Cash & Cash Equivalents (A+B+C)	(48,181,052)	193,322,484	(130,989,457)	854,708	15,222,325	53,202,725
Cash and cash equivalents at the beginning of the year	237,278,920	43,956,436	174,945,893	174,091,184	158,868,859	105,666,135
Cash and cash equivalents at the end of the year	189,097,868	237,278,920	43,956,436	174,945,893	174,091,184	158,868,859
Proceeds from Loan						
Cash and cash equivalents at the end of year comprises :						
1. Components of cash and cash equivalents:						
Particulars	30/09/2016	31/03/2016	31/03/2015	31/03/2014	31/03/2013	31/03/2012
Cash on hand	4,179,120	1,099,350	349,922	1,244,304	1,354,483	670,472
Balances with scheduled banks:						
In current accounts	4,695,352	57,686,680	5,981,805	3,084,644	5,364,408	12,296,319
in Deposits with Scheduled Bank	5,107,203	4,933,597	5,107,701	118,444,876	59,158,249	41,773,374
In Earmarked Account	175,116,194	173,559,293	32,517,008	52,172,069	108,214,044	104,128,694
Total Cash and cash equivalents	189,097,868	237,278,920	43,956,436	174,945,893	174,091,184	158,868,859

Notes:-

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

2. Figures in Brackets represents outflow.

3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses as appearing in Annexure IV, I and II.

ANNEXURE-IV**SIGNIFICANT ACCOUNTING POLICY AND NOTES TO THE RESTATED SUMMARY STATEMENTS****A. BACKGROUND**

RKEC Projects Limited, having registered office at 10-12-1, Rednam Alcazar, 3rd Floor, Opp. SBI Main Branch, Old Jail Road, Rednam Gardens, Visakhapatnam, A.P.-530020, India was incorporated on April 1, 2005 under the provisions of Companies Act, 1956 in Registrar of Companies, Hyderabad. The Company is engaged in the business of Civil Works and specialized in Marine Works, Construction of Roads, Buildings, Bridges & Fly over etc. Company has been changed from Private Limited Company to a limited Company on November 10, 2016.

B. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The Restated Summary Statement of Assets and Liabilities of the Company as on September 30, 2016, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31 2012, and the Restated Summary Statement of Profit and Loss and Restated Summary Statements of Cash Flows for the half year ended on September 30, 2016 and financial year ended on March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31 2012 and the annexure thereto (collectively, the “Restated Financial Statements” or “Restated Summary Statements”) have been extracted by the management from the Financial Statements of the Company for the half year ended on September 30, 2016 and financial year ended March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31 2012.

The financial statements are prepared and presented under the historical cost convention and evaluated on a going-concern basis using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, 1956 (up to March 31, 2014), and notified sections, schedules and rules of the Companies Act 2013 (with effect from April 01, 2014), including the Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006 as per section 211(3C) of the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 (“the Act”) read with Rule 7 of Companies (Accounts) Rules, 2014).

2. USE OF ESTIMATES

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities, if any, as at the date of the financial statements and reported amounts of income and expenses during the year. Examples of such estimates include provisions for doubtful debts, employee retirement benefit plans, provision for income tax and the useful lives of fixed assets. The difference between the actual results and estimates are recognized in the period in which results are known or materialized.

3. FIXED ASSETS

Fixed assets are stated at historical cost less accumulated depreciation and impairment losses, if any. Cost includes purchase price and all other attributable cost to bring the assets to its working condition for the intended use.

Subsequent expenditures 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.

Intangible assets are stated at acquisition cost, Net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis over their estimated useful lives.

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Gains or losses arising from the retirement or disposal proceeds and the carrying amount of the asset and recognized as income or expense in the Statement of Profit & Loss.

4. DEPRECIATION**Tangible Fixed Assets**

In accordance with AS-6 “Depreciation”, depreciation on tangible fixed assets is computed on considering useful life provided in the Schedule - II of the Act. During the preceding years, the Company was providing depreciation on written down value basis at the rate prescribed in Schedule XIV of the Companies Act, 1956.

Pursuant to Companies Act, 2013 (‘the Act’) being effective from April 1, 2014, the Company has revised depreciation rates on tangible fixed assets as per useful life specified in Part ‘C’ of Schedule II of the Act. And due to the same there has been a change in the estimated useful life of depreciable tangible assets which affects the depreciation in the current period and in each period during the remaining useful life of the assets. As the change is only in regard to accounting estimate requiring an adjustment of the carrying amount of tangible assets. The same do not require adjustment in the financial information for the years ended on March 31, 2014, 2013, and 2012. The Company has consistently calculated depreciation based on WDV method.

In respect of assets whose useful life had already exhausted as on 1 April 2014, Rs. 482,773/- has been adjusted in Reserves and Surplus as on 31.03.2014 in accordance with requirements of Para 7 of Part C of Schedule II of the Act.

5. BORROWING COSTS

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

6. IMPAIRMENT OF ASSETS

(i) The company assesses, at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset’s recoverable amount. An asset’s (including goodwill) recoverable amount is the higher of an assets net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

(ii) After impairment, depreciation/ amortization is provided on the revised carrying amount of the asset over its remaining useful life.

7. INVESTMENTS

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

8. INVENTORIES

Raw materials, construction materials, store & consumables and finished goods are valued at lower of cost or net realizable value. Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined by FIFO method.

Work-in-Progress is valued at cost.

9. REVENUE RECOGNITION

- i. Revenue from Work Contracts is recognized as per percentage of completion of contract activity gross of applicable taxes.
- ii. The stage of completion is determined by survey of work performed and / or on completion of a physical proportion of the contract work.
- iii. 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.
- iv. Revenue from sale of products/goods is recognized on delivery of the products, when all the significant contractual obligations have been satisfied, the property in the goods is transferred for a price, significant risks and rewards of ownership are transferred to the customers and no effective ownership is retained. Sales are net of sales tax /value added tax.
- v. Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Dividend income is recognized when right to receive the payment is established.

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, are adjusted with the carrying cost of such assets.

11. EMPLOYEE BENEFITS

Defined-contribution plans:

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.

13. ACCOUNTING FOR TAXES ON INCOME

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount that are enacted or substantively enacted, at the reporting date.

(i) Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

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(ii) Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

14. 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.

15. EARNINGS PER SHARE:

In determining the Earnings Per share, the company considers the net profit after tax which does not include any post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.

The number of shares used in computing Diluted earnings per share comprises the weighted average number of shares considered for computing Basic Earnings per share and also the weighted number of equity shares that would have been issued on conversion of all potentially dilutive shares.

In the event of issue of bonus shares, or share split the number of equity shares outstanding is increased without an increase in the resources. The number of Equity shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported.

16. 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.

17. SEGMENT REPORTING:

(i) Business Segment

- (a) The business segment has been considered as the primary segment.

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(b) The Company’s primary business segments are reflected based on principal business activities, the nature of service, the differing risks and returns, the organization structure and the internal financial reporting system.

(c) The Company’s primary business comprises of works contract activities and stone crusher and since it is the only reportable segment as envisaged in Accounting Standard 17 ‘Segment Reporting’. Accordingly, no separate disclosure for Segment reporting is required to be made in the financial statements of the Company.

(ii) Geographical Segment

The Company operates in one Geographical Segment namely “within India” and hence no separate information for geographic segment wise disclosure is required.

C. CHANGES IN ACCOUNTING POLICIES IN THE PERIODS/YEARS COVERED IN THE RESTATED FINANCIALS

There is change in significant accounting policies adopted by the Company, the details of which are as under:

- 1) The Company has not been following the provisions of Accounting Standard – 15 “Employee Benefits” issued by the Institute of Chartered Accountants of India for provision for Gratuity and accordingly, the provision of gratuity has not been accounted for by the management in books of account.

D. NOTES ON RESTATEMENTS MADE IN THE RESTATED FINANCIALS

1. The financial statements including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
2. The Company does not have information as to which of its supplier are Micro small and Medium Enterprise registered under The Micro small and Medium Enterprise Development Act 2006. Consequently the liability, if any, of interest which would be payable under The Micro small and Medium Enterprise Development Act 2006, cannot be ascertained. However, the Company has not received any claims in respect of such interest and as such, no provision has been made in the books of accounts.

3. Employee benefits:

The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits as per an actuarial valuation carried out by an independent actuary in restated financials. The disclosures as envisaged under the standard are as under:-

Particulars	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
1.The amounts recognized in the Balance Sheet are as follows:						
Present value of unfunded obligations Recognized	29,56,833	23,11,820	10,98,997	9,00,954	2,00,458	2,10,817
Net Liability	29,56,833	23,11,820	10,98,997	9,00,954	2,00,458	2,10,817
2.The amounts recognized in the Profit & Loss A/c are as follows:						
Current Service Cost	3,29,958	4,57,952	3,63,328	3,73,737	50,003	0
Interest on Defined Benefit Obligation	83,803	87,920	72,076	16,037	16,865	0
Net Actuarial Losses / (Gains) Recognized in Year	2,31,252	6,66,951	(2,37,361)	3,10,722	(77,227)	0
Past Service Cost	0	0	0	0	0	0
Total, Included in “Salaries, Allowances & Welfare”	6,45,013	12,12,823	1,98,043	7,00,497	(10,359)	0
3.Changes in the present value of defined benefit obligation:						
Defined benefit obligation as at the beginning of the year/period	23,11,820	10,98,997	9,00,954	2,00,458	2,00,458	2,10,817
Service cost	3,29,958	4,57,952	3,63,328	3,73,737	2,00,458	0
Interest cost	83,803	87,920	72,076	16,037	16,865	0
Actuarial Losses/(Gains)	2,31,252	6,66,951	(2,37,361)	3,10,722	(77,227)	0

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Past Service Cost	0	0	0	0	0	0
Defined benefit obligation as at the end of the year/period	29,56,833	23,11,820	10,98,997	9,00,954	2,00,458	2,10,817
Benefit Description						
Benefit type:	Gratuity Valuation as per Act					
Retirement Age:	60 years	60 years	60 years	60 years	60 years	60 years
Vesting Period:	5 years	5 years	5 years	5 years	5 years	5 years
The principal actuarial assumptions for the above are:						
Future Salary Rise:	5.00%P.A	5.00%P.A	5.00%P.A	5.00%P.A	5.00%P.A	5.00%P.A
Discount rate per annum:	7.25%P.A	8.00%P.A	8.00%P.A	8.00%P.A	8.00%P.A	8.00%P.A
Attrition Rate:	2.00%P.A	2.00%P.A	2.00%P.A	2.00%P.A	2.00%P.A	2.00%P.A
Mortality Rate:	IALM 2006-08	IALM 2006-08	IALM 2006-08	IALM 2006-08	LIC 94-96	LIC 94-96

As informed to us, Company does not have any earned leave balance as on year ends.

4. Segment Reporting (AS 17)

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 Segment within the meaning of Accounting standard -17, which differ from each other in risk and reward.

5. Change in Accounting Estimate

In Restated financials the Company has calculated the depreciation based on the rates given in Schedule XIV of the Companies Act, 1956 till 31.03.2014 and after 31.03.2014 based on the rates given in Schedule II of the Companies Act, 2013. In respect of assets whose useful life had already exhausted as on 1 April 2015, has been adjusted in Reserves and Surplus in accordance with requirements of Para 7 of Part C of Schedule II of the Act. Such assets which do not have useful life as on 01.04.2014 were having WDV Rs. 482,773/-.

6. 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 March 31, 2016 except as mentioned in Annexure -S, for any of the years covered by the statements.

7. Related Party Disclosure (AS 18)

Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Annexure – R of the enclosed financial statements.

8. Accounting For Taxes on Income (AS 22)

Deferred Tax liability/Asset in view of Accounting Standard – 22: “Accounting for Taxes on Income” as at the end of the year/period is reported as under:

Particulars	(Amount in Rs.)					
	As At					
	30/09/2016	31/03/2016	31/03/2015	31/03/2014	31/03/2013	31/03/2012
Deferred Tax Liability						
Net WDV as Per Companies Act	102,503,572	122,057,610	149,554,276	173,384,352	199,093,705	227,009,120
Net WDV As per Income Tax Act	108,767,294	155,707,164	178,193,161	192,668,052	216,601,227	243,700,571
Timing Difference Due to Depreciation	(6,263,721)	(33,649,554)	(28,638,885)	(19,283,700)	(17,507,522)	(16,691,451)
Deferred Tax Liability (A)	(2,070,974)	(11,125,552)	(9,291,886)	(6,256,596)	(5,680,315)	(5,415,541)
Incremental Due to Depreciation	9,054,578	(1,833,666)	(3,035,290)	(576,281)	(264,774)	(5,415,541)
Gratuity Expenses Accumulated	2,956,833	2,311,820	1,098,997	900,954	200,458	210,817
Expenses Disallowed u/s 43B of Income-tax Act	-	634,204	765,027	2,277,496	10,264,954	5,251,651
Unabsorbed Depreciation	-	-	-	-	-	-
DTA @ Applicable Rate	977,618	974,044	604,783	1,031,248	3,395,503	1,772,298
Incremental Due to Unabsorbed Depreciation/Gratuity/Exp	3,574	369,261	(426,466)	(2,364,255)	1,623,205	1,772,298
Deferred Tax Assets (B)	977,618	974,044	604,783	1,031,248	3,395,503	1,772,298
Cumulative Balance of Deferred Tax Liability/(Deferred Tax Assets) (A-B)	(3,048,592)	(12,099,596)	(9,896,669)	(7,287,844)	(9,075,818)	(7,187,839)
Opening Deferred Tax Liability	(12,099,596)	(9,896,669)	(7,287,844)	(9,075,818)	(7,187,839)	-
Debited/(Credit) to Restated Statement of Profit and Loss Account	9,051,004	(2,202,927)	(2,608,824)	1,787,974	(1,887,979)	(7,187,839)

9. Earnings Per Share (AS 20):

Earnings per Share have been calculated is already reported in the Annexure –P of the enclosed financial statements.

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 Company Act 1956, and as replaced by Company Act 2013 after 01st April 2014 and Accounting Standards.

The Summary of results of restatements made in the audited financial statements of the Company for the respective period / years and their impact on the profit / (loss) and assets and liabilities of the Company is as under.

Statement of adjustments in the Financial Statements

The reconciliation of Profit after tax as per audited results and the Profit after tax as per Restated Accounts is presented below in Table-1. This summarizes the results of restatements made in the audited accounts for the respective years/ period and its impact on the profit & loss of the company.

1. Statement of Profit and Loss after Tax

Table -1

Particulars	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
Net Profit After Tax as per audited accounts but before adjustments for restated accounts:	26,850,605	33,429,306	22,462,300	20,148,881	29,624,274	29,724,682
Decrease/(Increase) in Loss by Cyclone - Adjustment	-	-	-	-	-	717,165
Decrease/(Increase) in Other Expenses - TDS Defaults as per 26AS	(15,958)	(1,074,755)	(120,405)	(1,866)	(60,550)	(135,608)
Decrease/(Increase) in Loss on sale of Fixed Assets	15,072,914	596,502	39,985	(1,303,450)	(3,425,650)	(246,644)
Decrease/(Increase) in Depreciation as per Companies Act	435,146	(8,249,851)	(3,819,620)	(4,876,718)	(1,499,777)	(556,089)
Decrease/(Increase) Provision for Gratuity	(645,013)	(1,212,823)	(198,043)	(700,496)	10,359	(210,817)
(Decrease)/Increase in Expenses due to Capitalization- Adjustment	-	109,954	-	58,500	179,145	731,509
Decrease/(Increase) in Income-tax Exp. of Earlier Year on account of TDS Adj.	-	44,943	2,442,252	251,287	257,608	-
Decrease/(Increase) on account of bifurcation of expenses as prepaid and current	-	-	(6,500)	6,500	-	-
(Decrease)/Increase in MAT Credit Entitlement	1,448,040	-	-	-	-	-
Decrease/(Increase) in Provision for Tax	2,646,733	4,443,619	573,621	(1,622,081)	863,861	426,787
Decrease/(Increase) in DTL	(9,051,004)	3,857,320	(1,766,493)	(1,199,550)	2,040,649	7,187,839
Net Increase/ (Decrease)	9,890,859	(1,485,091)	(2,855,203)	(9,387,873)	(1,634,354)	7,914,142
Profits after Tax as per Restated Accounts	36,741,464	31,944,215	19,607,097	10,761,008	27,989,920	37,638,824

a) Adjustment on account of provision for Gratuity:

The Company did not provide gratuity based on the requirement of AS -15 (Revised), therefore during the restatement, provision for gratuity have been done as per the actuarial valuation and accordingly short/excess provisions in respective year were adjusted to comply with the requirement of AS-15 (Revised).

b) Accounting of Depreciation (AS -6)

During the process of restatement of Accounts, Company has rectified the Depreciation provision which was wrong on account of arithmetical errors and wrong rate of depreciation adopted, and non Compliance with the requirement of schedule II of the Companies Act, 2013 w.e.f. 1.4.2014 onwards. The same has been rectified and accordingly effect thereof has been stated in Table 1 (Statement of Profit and Loss after Tax).

c) Adjustment on account of Provision of Deferred Tax:

Due to changes in Depreciation and Provision for Gratuity, Disallowances, etc, the Company has recalculated the deferred tax liability and deferred tax assets at the rate of normal Tax rate applicable at the end of relevant year.

d) Adjustment on account of Tax Provision and MAT Credit Entitlement and Set-off thereof

Due to changes in accounting policies and other adjustments as stated above, the Company has recalculated the Income-tax provision and MAT Credit Entitlement and Set-off thereof at the rate of normal Tax rate applicable at the end of relevant year and accordingly, their amounts have been readjusted in restated financials.

e) Accounting of Short Depreciation prior to 31.03.2011:

During the period of restatement, the Company has identified short depreciation charged amounting to Rs. 4,984,816/- and wrong deduction in gross value figure amounting to Rs. 1,93,155/- on account of sale of assets upto 31.03.2011 and accordingly, Rs. 5,177,971/- has been reduced from Opening balance of Retained earnings on account of deferred tax impact, if any on such excess depreciation amount and adjusted the carrying amount of fixed Assets and deferred tax as on 01.04.2011.

f) Accounting of Non-Recoverable amount of TDS Receivable prior to 31.03.2011

During the period of restatement, the Company has identified an amount of Rs. 1,85,06,923/- out of TDS Receivable (Credit) amount which is not recoverable from the IT Authorities as the said amount was related to before takeover period. There was no realizable value of such TDS receivables as on 31.03.2011. Accordingly, the amount of Rs. 1,85,06,923 has been reduced from the Opening Balance of retained earnings assuming that such amount could have been written off before the restatement period.

g) Accounting of Purchased Goodwill prior to 31.03.2011

The Company was having Goodwill amounting to Rs. 2,55,58,614/- as on 31.03.2011 which was purchased by it from M/s RK Engineers and Contractors, a proprietorship firm, during the course of takeover of this firm by Company in 2006-07. During the period of restatement, the Company has identified that such Goodwill must have been written off in books of accounts as per the Accounting Standards. As per Accounting Standard 26 "Intangible Assets" read with Accounting Standard 14 "Accounting for Amalgamations", such Goodwill should be amortised over the best estimate of its useful life. As per AS 26, such useful life will not exceed ten years, however, as per AS 14, which is specifically deals with the Goodwill arising in the case of amalgamation, provides that amortization period must not exceed 5 years. Hence, taking into consideration the essence of both the Accounting Standards, the management of Company has identified that such Goodwill must have been written off in the 5 years from the date of its purchase. Accordingly, the amount of retained earnings as on 31.03.2011 has been reduced by Rs. 2,55,58,614/- assuming that such amount of Goodwill could have been amortised before the starting of Restatement period i.e. 01.04.2011.

h) Capitalization of Expenses

During the period of restatement, the Company has capitalized some expenditure as fixed assets of the Company. The same has been rectified and accordingly effect thereof has been stated in Table 1 (Statement of Profit and Loss after Tax).

11. 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.

12. Contractual liabilities

All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

13. Amounts in the financial statements

Amounts in the financial statements are rounded off to nearest Rupees. Figures in brackets indicate negative values.

**For Mansaka Ravi & Associates
Chartered Accountants
FRN 015023C
PRC No. 008582**

**Ravi Mansaka, FCA
Partner
Membership No. 410816
Date: 10/12/2016
Place: Jaipur**

ANNEXURE – A**STATEMENT OF SHARE CAPITAL, RESERVES AND SURPLUS****(Amt in Rs.)**

Particulars	As at					
	30/09/2016	31/03/2016	31/03/2015	31/03/2014	31/03/2013	31/03/2012
Share Capital						
Authorized Share Capital	100,100,000	100,100,000	100,100,000	100,100,000	100,100,000	100,100,000
Equity shares of Rs.10 each						
Share Capital						
Issued, Subscribed and Paid up Share Capital	96,563,000	96,563,000	96,563,000	96,563,000	96,563,000	96,563,000
Equity Shares of Rs. 10 each fully paid up						
Share Capital (in Rs.)						
Total	96,563,000	96,563,000	96,563,000	96,563,000	96,563,000	96,563,000
A) Security Premium	-	-	-	-	-	-
Add: Addition during the year	-	-	-	-	-	-
Less: Utilized During the Year	-	-	-	-	-	-
Total (A)	-	-	-	-	-	-
B) Surplus in Profit and Loss account						
Opening Balance	159,719,252	127,775,037	108,650,714	97,889,706	69,899,787	32,260,963
Add: Profit for the year	36,741,464	31,944,215	19,607,097	10,761,008	27,989,919	37,638,824
less: Additional Depreciation on Translation under new Companies Act, 2013	-	-	(482,774)	-	-	-
Total (B)	196,460,715	159,719,252	127,775,037	108,650,714	97,889,706	69,899,787
Total (A+B)	196,460,715	159,719,252	127,775,037	108,650,714	97,889,706	69,899,787
1. 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.						
2. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.						
3. Company does not have any Revaluation Reserve.						
4. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexure IV, I, II and III.						
5. 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	9,656,300	9,656,300	9,656,300	9,656,300	9,656,300	9,656,300
Add: Bonus Shares issued during the year	-	-	-	-	-	-

Less: Shares bought back during the Year	-	-	-	-	-	-
Number of shares at the end	9,656,300	9,656,300	9,656,300	9,656,300	9,656,300	9,656,300
6. 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
G Radhakrishna	9,651,300	9,651,300	9,651,300	9,651,300	9,651,300	9,651,300

ANNEXURE – B

STATEMENT OF LONG TERM AND SHORT TERM BORROWINGS

(Amt in Rs.)

Particulars	As at					
	30/09/2016	31/03/2016	31/03/2015	31/03/2014	31/03/2013	31/03/2012
Long Term Borrowings						
From Banks/Financial Institutions (Secured)						
Term Loans	-	-	-	6,354,764	23,433,567	39,012,016
Loans and Advances (Unsecured)						
From Promoter/Directors/Related Parties	-	-	3,100,331	12,395,000	-	-
From others	-	-	-	-	-	-
Total	-	-	3,100,331	18,749,764	23,433,567	39,012,016
Current portion of long-term borrowings, included under Other current liabilities						
Term Loans and Car Loans	-	-	6,455,719	21,785,704	36,157,070	12,585,237
Short Term Borrowings						
From Banks (Secured)	123,080,874	149,833,476	95,323,700	161,334,820	90,037,284	187,470,970
Bank Working Capital Loan/OD/CC	-	-	-	-	-	-
Others	-	-	-	-	-	-
Loan from Promoter/Directors/Related Parties	-	-	-	-	-	-
Total	123,080,874	149,833,476	95,323,700	161,334,820	90,037,284	187,470,970
The above amount includes:						
Secured Borrowings	-	-	-	6,354,764	23,433,567	39,012,016
Unsecured Borrowings	123,080,874	149,833,476	95,323,700	161,334,820	90,037,284	187,470,970

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 Annexures IV, I, II and III.
- List of persons/entities classified as 'Promoter' 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 Unsecured Loans are given in Annexure -B (A)

ANNEXURE – B (A)**STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY**

(Amt in Rs.)

Name of Lender	Purpose	Loan A/c No.	Sanctioned Amount	Rate of interest	Primary Security	Collateral/Other Security	Re-Payment Schedule	Moratorium	Outstanding amount as on as per Books	
									31/03/2016	30/09/2016
Secured Loan										
Vijaya Bank	Cash Credit	402606 211000 003	15 Cr.	15.65% (BR+3%)	1. Pledge of NSCs with face value Rs. 0.08 Crores 2. Assignment of LIC Policies with surrender value of Rs. 0.18 Crores 3. Lien on cut-back deposits of Rs. 1.91 Crores 4. Fresh Deposits to be carved out of mobilization advance Rs. 2.43 Crores 5. Mortgage of various Landed properties	1. 325 Sq., 175 Sq. & 183.33 Sq. yards residential vacant site at S. No. 21/C Plot No. 58-15-114, Santi Nagar, Butchirajupalem, Visakhapatnam 2. 116.66 Sq. yards residential site at S. No. 21/C, D. No. 58-15-114/3, Butchirajupalem, Visakhapatnam 3. 365 Sq. yards of vacant site at 1/2 plot no. 7, S. No. 38/2, D. No. 58-81-71, Rajendra Nagar, Resapuvanipalem, Visakhapatnam 4. (a) S. No. 12/5, Ac. 15.90 at Narapam Village (b) S. No. 13, Ac. 5.39 at Narapam Village (c) S. No. 11/4, & 13 Ac. 19.00 at Narapam village 5. 5085 Sq. yards industrial site at Plot No. 38, S. No. 89, Thanglum Industrial Area, Visakhapatnam 6. 444.44 Sq. yards at S. No. 3/2, Plot No. HIG-3, D. No. 39-33-30, Madhavadhara, VUDA Layout, Visakhapatnam 7. Residential Flat No. 301, at 3rd Floor, Brindavan Plot No. HIG-55, Block No. 99, T. Survey No. 1008/3A, Door No 7-5-91	On Demand	-	149,833,476	123,080,874

					8. Residential Landed property of 24587.20 Sq. yards at S. No. 271, 266, 270/5, 270-6, 270-7, 270/1, 270-2, 270-4, 268, Maturawada Village GVMC Limits, Visakhapatnam				
					9. Residential site 325 & 125 Sq. yards at S. No. 21/1c, Batchirajupalem Village, NAD Kotha Road, Visakhapatnam				

ANNEXURE – C**STATEMENT OF DEFERRED TAX (ASSETS) / LIABILITIES**

(Amt in Rs.)

Particulars	For the half year ended	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	(12,099,596)	(9,896,669)	(7,287,844)	(9,075,818)	(7,187,839)	-
Current Year Provision (B)	9,051,003	(2,202,927)	(2,608,824)	1,787,974	(1,887,979)	(7,187,839)
(DTA) / DTL on Depreciation	9,054,578	(1,833,666)	(3,035,290)	(576,281)	(264,774)	(5,415,541)
(DTA) / DTL on Provision for Gratuity/Carry Forward Losses	3,574	369,261	(426,466)	(2,364,255)	1,623,205	1,772,298
Closing Balance of Deferred Tax (Asset) / Liability (A+B)	(3048592)	(12099596)	(9896669)	(7,287,844)	(9,075,818)	(7,187,839)

Note: The above statement should be read with the significant accounting policies and notes to restated summary statement of profit and loss account and cash flows statement as appearing in Annexures IV, I, II and III .

ANNEXURE – D**STATEMENT OF LONG TERM PROVISIONS**

(Amt in Rs.)

Particulars	As at					
	30/09/2016	31/03/2016	31/03/2015	31/03/2014	31/03/2013	31/03/2012
Provision for Gratuity	2,681,039	2,160,214	1,070,560	883,992	198,070	206,230
Other Provisions	-	-	-	-	-	-
Total	2,681,039	2,160,214	1,070,560	883,992	198,070	206,230

ANNEXURE – E**STATEMENT OF TRADE PAYABLES**

(Amt in Rs.)

PARTICULARS	As at					
	30/09/2016	31/03/2016	31/03/2015	31/03/2014	31/03/2013	31/03/2012
Trade Payables						
Micro, Small and Medium Enterprises	-	-	-	-	-	-
Other	221,359,651	193,974,101	100,908,476	139,755,108	228,148,080	105,753,696
Total	221,359,651	193,974,101	100,908,476	139,755,108	228,148,080	105,753,696

Notes:-	
1.	The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2.	The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.
3.	Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been identified on the basis of information available with the Company. There was no amount due to any such entities which needs to be disclosed.

ANNEXURE – F**STATEMENT OF OTHER CURRENT LIABILITIES AND SHORT TERM PROVISIONS****(Amt in Rs.)**

PARTICULARS	As at					
	30/09/2016	31/03/2016	31/03/2015	31/03/2014	31/03/2013	31/03/2012
Other Current Liabilities						
Material Advance from Contractees	199,698,451	209,457,072	-	-	-	-
HDFC - Hire purchase loan	-	-	-	-	-	530,100
TDS Payable	-	-	2,677,747	4,199,195	159,817	1,900,548
Current Maturity of Long Term Borrowings	-	-	6,455,719	21,785,704	36,157,070	12,585,237
Advances from customers (mobilization advances)	399,201,165	302,442,525	120,783,480	109,248,533	183,815,578	195,898,969
Other Payables	6,484,512	3,466,517	-	-	-	-
Service Tax Payable	6,701,799	5,737,150	6,361,235	7,196,508	10,264,954	6,134,667
Total	612,085,927	521,103,264	136,278,181	142,429,940	230,397,419	217,049,521
Short-Term Provisions						
Provision for Current Year Tax	11,185,397	21,976,381	12,745,379	10,017,081	15,837,139	20,441,785
Provision for Exp	-	-	1,950	4,250	360,685	255,000
Provision for Salary Payable	-	-	2,564,391	2,914,640	435,377	5,272,902
Provision for ESIC	-	-	3,280	3,441	4,241	4,176
Provision for EPF	-	-	98,993	142,551	193,545	68,583
Provision for Directors Remuneration	-	-	-	6,991,451	22,391,919	5,165,057
Provision for Gratuity	275,794	151,606	28,437	16,962	2,388	4,587
Provision for TDS Defaults as per 26AS	1,409,141	1,393,183	318,428	198,023	196,158	135,608
Total	12,870,332	23,521,170	15,760,859	20,288,399	39,421,452	31,347,698

Notes	
1.	The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2.	The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

ANNEXURE – G**STATEMENT OF FIXED ASSETS****(Amt in Rs.)**

PARTICULARS	As at					
	30/09/2016	31/03/2016	31/03/2015	31/03/2014	31/03/2013	31/03/2012
(i) Tangible Assets						
Land	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Computers & Printers	351,871	429,530	160,028	179,586	279,521	335,869
Electric Equipments	1,021,946	1,141,565	1,441,410	2,369,553	2,752,414	4,081,808

Civil Plant & Machinery	57,321,186	73,290,160	89,296,528	97,785,967	115,901,178	155,055,390
Heavy Lift Equipments	13,106,955	14,474,115	17,837,245	22,589,506	17,385,865	9,752,851
Ships	21,746,808	23,939,729	31,001,089	37,915,584	47,810,606	35,084,736
Heavy Vehicles	2,037,811	2,237,485	2,924,881	4,279,888	6,114,126	13,371,258
Office Equipments	121,585	139,664	118,828	512,312	543,934	597,916
Vehicles	1,603,902	1,172,644	1,593,030	2,494,481	2,991,684	3,345,437
Furniture & Fixture	191,508	232,718	181,237	257,475	314,377	383,855
Total Tangible Assets	102,503,572	122,057,610	149,554,276	173,384,352	199,093,705	227,009,120
(ii) Intangible Assets						
Software	46,879	57,266	36,286	49,244	61,684	-
(iii) Capital Work-in-Progress						
Capital Work-in-Progress		-	-	-	-	-
Intangible assets under development		-	-	-	-	-
Grand Total	102,550,451	122,114,876	149,590,562	173,433,596	199,155,389	227,009,120

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 Annexures IV, I, II and III.

ANNEXURE – H**STATEMENT OF LONG-TERM LOANS AND ADVANCES****(Amt in Rs.)**

PARTICULARS	As at					
	30/09/2016	31/03/2016	31/03/2015	31/03/2014	31/03/2013	31/03/2012
Unsecured, Considered Good unless otherwise stated						
MAT Credit Entitlement	1,448,040	-	-	-	-	-
Total	1,448,040	-	-	-	-	-

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 Annexures IV, I, II and III.

ANNEXURE – I**STATEMENT OF INVENTORIES****(Amt in Rs.)**

PARTICULARS	As at					
	30/09/2016	31/03/2016	31/03/2015	31/03/2014	31/03/2013	31/03/2012
Inventories						
(a) Raw materials	307,422,600	251,763,622	50,938,177	-	-	-
(b) Work-in-progress	109,942,887	227,717,529	113,103,953	109,594,900	51,061,367	13,986,000
(c) Finished goods	-	-	-	-	3,645,000	10,500,000
Total	417,365,477	479,481,151	164,042,130	109,594,900	54,706,367	24,486,001

Note:- As per Management Explanation, Inventory has been physically verified by the management of the Company at the end of respective year.

ANNEXURE – J**STATEMENT OF TRADE RECEIVABLES****(Amt in Rs.)**

PARTICULARS	As At					
	30/09/2016	31/03/2016	31/03/2015	31/03/2014	31/03/2013	31/03/2012
Outstanding for a period exceeding six months						
(Unsecured and considered Good)						
From Directors/Promoter/ Promoter Group/Associates/ Relatives of Directors/ Group Companies.	-	-	-	-	-	-
Others	79,589,088	79,589,088	50,145,838	55,525,321	15,711,336	8,078,372
(Unsecured and considered Doubtful)						
From Directors/Promoter/Promoter Group/Associates/ Relatives of Directors/ Group Companies.						
Others	-	-	-	-	-	-
Outstanding for a period not exceeding 6 months (Unsecured and considered Good)						
From Directors/Promoter/Promoter Group/Associates/ Relatives of Directors/ Group Companies.						
Others	298,310,759	111,863,553	99,044,410	127,389,723	308,680,090	257,199,880
Total	377,899,847	191,452,641	149,190,248	182,915,044	324,391,426	265,278,252
Notes:-						
1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.						
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.						

ANNEXURE – K**STATEMENT OF CASH & CASH EQUIVALENTS****(Amt in Rs.)**

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)	4,179,120	1,099,350	349,922	1,244,304	1,354,483	670,472
Balances with Banks						
- In Current Accounts	4,695,352	57,686,680	5,981,805	3,084,644	5,364,408	12,296,319
- Deposits	5,107,203	4,933,597	5,107,701	118,444,876	108,214,044	104,128,694
- Earmarked Accounts	175,116,194	173,559,293	32,517,008	52,172,069	59,158,249	41,773,374
Total	189,097,868	237,278,920	43,956,436	174,945,893	174,091,184	158,868,859
Notes:-						
1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.						
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.						

ANNEXURE – L**STATEMENT OF SHORT-TERM LOANS AND ADVANCES****(Amt in Rs.)**

PARTICULARS	As at					
	30/09/2016	31/03/2016	31/03/2015	31/03/2014	31/03/2013	31/03/2012
Loans & Advances to Staff	17,764,703	16,560,775	3,864,795	3,001,738	378,731	-

Advance to material suppliers	63,195,749					
Security Deposits-In the course of business	24,452,801	18,178,598	15,024,310	10,921,917	7,614,365	6,090,172
CENVAT Credit Receivable	1,050,000	-	-	-	-	4,307,986
Sales Tax Refund receivable (against appeal)	38,380,269	31,877,804	17,111,715	8,098,167	3,784,605	18,594,544
Total	144,843,522	66,617,177	36,000,820	22,021,822	11,777,701	28,992,702

Notes:-

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

ANNEXURE – M**STATEMENT OF OTHER CURRENT ASSETS****(Amt in Rs.)**

PARTICULARS	As at					
	30/09/2016	31/03/2016	31/03/2015	31/03/2014	31/03/2013	31/03/2012
TDS Receivable	14,814,037	28,240,975	17,322,208	15,452,410	19,604,159	23,275,985
Prepaid Expenses	-	-	-	6,500	-	-
IT Refundable (Adj. due to restatement)	14,033,703	9,589,142	6,781,070	3,097,567	1,082,374	-
Insurance Claim Receivable	-	-	-	-	12,304,000	12,304,000
Total	28,847,740	37,830,117	24,103,278	18,556,477	32,990,533	35,579,985

Notes:-

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

ANNEXURE – N**STATEMENT OF OTHER INCOME****(Amt in Rs.)**

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:	5,922,286	8,101,415	9,213,585	13,841,344	19,192,415	8,651,899
Non-related and Non-recurring income:	15,448,975	1,141,253	(113,748)	-	-	532,465
Total	21,371,261	9,242,668	9,099,837	13,841,344	19,192,415	9,184,364

Notes:-

1. The classification of other income as recurring/not-recurring, related/not-related to business activity is based on the current operations and business activity of the Company as determined by the management.
2. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

ANNEXURE – O**STATEMENT OF TURNOVER****(Amt in Rs.)**

Particulars	For the Half year	For the year ended
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	ended					
	30/09/2016	31/03/2016	31/03/2015	31/03/2014	31/03/2013	31/03/2012
Proceeds from Sale						
- Hire Charges received	1,350,000	1,878,470	10,826,325	798,449	14,062,528	35,280,245
- Scrap Sale	346,755	6,645,809	681,829	-	-	-
- Sale of RMC	76,500	-	-	-	-	-
Work contract Receipts	813,648,332	1,117,289,540	696,860,650	571,761,100	779,927,637	969,664,842
Total	815,421,587	1,125,813,819	708,368,804	572,559,549	793,990,165	1,004,945,087

ANNEXURE – P**STATEMENT OF MANDATORY ACCOUNTING RATIOS****(Amt in Rs.)**

Particulars	As at					
	30/09/2016	31/03/2016	31/03/2015	31/03/2014	31/03/2013	31/03/2012
Net Worth (A)	293,023,715	256,282,252	224,338,037	205,213,714	194,452,706	166,462,787
Restated Profit after tax	36,741,464	31,944,215	19,607,097	10,761,008	27,989,919	37,638,824
Adjusted Profit after Tax (B)	36,741,464	31,944,215	19,607,097	10,761,008	27,989,919	37,638,824
Number of Equity Share outstanding as on the End of Year/Period (C)	9,656,300	9,656,300	9,656,300	9,656,300	9,656,300	9,656,300
Weighted average no of Equity shares at the time of end of the year (D)	19,312,600	19,312,600	19,312,600	19,312,600	19,312,600	19,312,600
Current Assets (E)	1,158,054,455	1,012,660,006	417,292,912	508,034,136	597,957,211	513,205,799
Current Liabilities (F)	969,396,784	888,432,011	348,271,216	463,808,267	588,004,235	541,621,885
Face Value per Share (in Rs.)	10	10	10	10	10	10
Restated Basic and Diluted Earnings Per Share (Rs.) (B/D) Refer Note 1 given below	1.90	1.65	1.02	0.56	1.45	1.95
Return on Net worth (%) (B/A)	12.54	12.46	8.74	5.24	14.39	22.61
Net asset value per share (A/C)	30.35	26.54	23.23	21.25	20.14	17.24
Adjusted Net asset value per share based on Weighted average number of share (A/D)	15.17	13.27	11.62	10.63	10.07	8.62
Current Ratio (E/F)	1.19	1.14	1.20	1.10	1.02	0.95

Notes:-

1) The ratios have been computed as below:

- (a) Basic earnings per share (Rs.) - : Net profit after tax as restated for calculating basic EPS / Weighted average number of equity shares outstanding at the end of the period or year
- (b) Diluted earnings per share (Rs.) - : Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year for diluted EPS
- (c) Return on net worth (%) - : Net profit after tax (as restated) / Net worth at the end of the period or year
- (d) Net assets value per share - : Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year
- (e) Net assets value per share (effect of bonus issue of equity shares) - : Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year (after split and bonus issue)

2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year.

3) Net worth for ratios mentioned in note 1(c) and 1(d) is = Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss).

- 4) The Company has declared bonus shares in the ratio of 1:1 (1 share bonus for Every 1 shares held in Company) dated 03/10/2016 to all existing shares holders. Accordingly, the number of equity shares considered for computation of basic and diluted earnings per share for the half year ended as on September 30,2016, year ended March 31, 2016, March 31, 2015, March 31,2014, March 31,2013, and March 31,2012, have been adjusted for the impact of bonus issue.
- 5) The figures disclosed above are based on the standalone restated summary statements of the Group.
- 6) 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 – Q

STATEMENT OF CAPITALISATION

(Amt in Rs.)

Particulars	Pre-Issue	Post-Issue*
	30/09/2016	
Debt		
Short Term Debt	969,396,784	[●]
Long Term Debt	26,81,039	[●]
Total Debt	972,077,823	[●]
Shareholders' Fund (Equity)		
Share Capital	96,563,000	[●]
Reserves & Surplus	196,460,715	[●]
Less: Miscellaneous Expenses not w/off	-	[●]
Total Shareholders' Fund (Equity)	293,023,715	[●]
Long Term Debt/Equity	0.01	[●]
Total Debt/Equity	3.32	[●]

* The Corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished.

Notes:

- Short term Debts represent which are expected to be paid/payable within 12 months.
- Long term Debts represent debts other than Short term Debts as defined above.
- The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 30/09/2016.
- The Company has issued Bonus shares in the ratio 1:1 by Capitalizing Free Reserves on 03.10.2016.

ANNEXURE – R

STATEMENT OF RELATED PARTY TRANSACTION

(Amt in Rs.)

a)	Name 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	Naram Enterprises Private Limited					
2)	Key Management Personnel's:-	G Radhakrishna					
		G Parvathi Devi					
3)	Relative of Key Management Personnel's:-	G Naga Pushaymi					
		Himabindu Sree					
		G V Ram Mohan					
4)	Directors:-	G Radhakrishna					
		G Parvathi Devi					
1.	Transaction with Companies/ Entity owned or significantly influenced by Director/KMP						
		As at					
S.No.	Particulars	30/09/2016	31/03/2016	31/03/2015	31/03/2014	31/03/2013	31/03/2012
1	G Radhakrishna						
	Opening Balance {Cr./Dr)}	254,689	119,299	-	15,066,037	5,940,979	(318,362)
	Remuneration	12,000,000	9,000,000	4,800,000	4,800,000	24,000,000	23,500,000

	Expenses	136,371	1,412,097	-	-	-	-
	Purchase		-	7,630,000	-	-	-
	Amount Received/credited	1,000,000	27,790,000	2,774,840	7,689,419	11,190,942	23,310,000
	Amount repaid/adjusted	(140,939)	29,066,707	10,285,541	22,755,456	2,065,884	17,050,659
	Closing Balance {Cr./Dr)}	1,531,999	254,689	119,299	-	15,066,037	5,940,979
2	G Parvathi Devi						
	Opening Balance {Cr./Dr)}	12,344	24,304	10,760,000	6,615,882	2,524,078	(3,547,351)
	Remuneration	9,000,000	4,800,000	1,800,000	1,800,000	18,000,000	17,450,000
	Expenses	99,834	1,268,970	60,000	70,000	60,000	60,000
	Purchase	-	-	5,880,000	-	-	-
	Amount Received/credited	1,400,000	10,500,000	22,914,919	11,960,000	12,948,535	9,200,474
	Amount repaid/adjusted	(562,890)	11,780,930	39,590,615	7,885,882	8,916,731	3,189,045
	Closing Balance {Cr./Dr)}	2,075,068	12,344	24,304	10,760,000	6,615,882	2,524,078
3	G Naga Pushyami						
	Opening Balance {Cr./Dr)}	(2,417,500)	(181,379)	4,047,737	4,473,960	-	-
	Remuneration		-	-	-	-	46,440
	Expenses	4,360,294	313,607	508,534	2,256,271	4,548,200	-
	Amount Received/credited		2,100,000	-	1,850,000	-	-
	Amount repaid/adjusted	287,980	4,649,728	4,737,650	4,532,494	74,240	46,440
	Closing Balance {Cr./Dr)}	1,654,814	(2,417,500)	(181,379)	4,047,737	4,473,960	-
4	Naram Enterprises Pvt Ltd						
	Opening Balance {Cr./Dr)}	(2,885,818)	(333,755)	(11,113,755)	-	-	-
	Remuneration		-	-	-	-	-
	Expenses		-	-	-	-	-
	Amount Received/credited	4,450,300	1,591,210	11,113,755	-	-	-
	Amount repaid/adjusted	5,510,200	4,143,273	333,755	11,113,755	-	-
	Closing Balance {Cr./Dr)}	(3,945,718)	(2,885,818)	(333,755)	(11,113,755)	-	-
5	Miss G Hima Bindu Sree						
	Opening Balance {Cr./Dr)}	29,680	(172,767)	1,511,112	-	-	150,000
	Remuneration	600,000	-	-	-	-	-
	Rent	-	-	-	-	-	-
	Expense	-	-	-	-	-	-
	Amount Received/credited	-	1,000,000	375,000	1,635,000	-	-
	Amount	225,640	797,553	2,058,879	123,888	-	150,000

	repaid/adjusted						
	Closing Balance {Cr./{Dr}}	(195,960)	29,680	(172,767)	1,511,112	-	-
6	G V Babu						
	Opening Balance {Cr./{Dr}}	-	-	-	-	-	-
	Purchase		-	-	-	-	-
	Amount Received/credited		-	1,000,000	-	-	-
	Amount repaid/adjusted		-	1,000,000	-	-	-
	Closing Balance {Cr./{Dr}}	-	-	-	-	-	-
7	G V Ram Mohan						
	Opening Balance {Cr./{Dr}}	(1,213,194)	(57,072)	397,360	49,760	18,094	14,372
	Remuneration		-	-	397,360	406,840	521,574
	Paid for Expenses	425,852	57,072	-	-	79,264	-
	Amount repaid/adjusted		1,213,194	454,432	49,760	454,438	517,852
	Closing Balance {Cr./{Dr}}	(787,342)	(1,213,194)	(57,072)	397,360	49,760	18,094
	1. Notes:						
	1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.						
	2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.						
	3. List 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**RESTATED SUMMARY STATEMENT OF CONTINGENT LIABILITIES****(Amt in Rs.)**

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:						
Sales/VAT/Service Tax demands / Notices/Appeals	93,117,904	77,080,174	77,080,174	77,080,174	59,204,856	59,204,856
Guarantees given on Behalf of the Company	1,160,000,000	1,170,100,000	293,000,000	303,780,593	319,568,508	105,722,103
Other moneys for which the company is contingently liable	75,770	325,770	325,770	325,770	325,770	325,770
Total	1,253,193,674	1,247,505,944	370,405,944	381,186,537	379,099,134	165,252,729
Notes:-						
1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.						
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.						

ANNEXURE – T

STATEMENT OF TAX SHELTER

(Amt in Rs.)

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)	55,529,824	51,717,669	30,375,152	22,566,063	42,316,019	51,484,208
Tax Rate Applicable %	33.06%	33.06%	32.45%	32.45%	32.45%	32.45%
Minimum Alternate Taxes (MAT)	20.39%	20.39%	20.01%	20.01%	20.01%	20.01%
LTCG Tax Rates	22.04%	22.04%	21.63%	21.63%	21.63%	21.63%
Adjustments						
Add: Depreciation as per Companies Act, 1956/2013	13287118	34381497	40,178,898	35,507,696	34,915,290	33,578,673
Add: Expenditure on Account of Interest on Delay payment of TDS and non Payment/Short payment of TDS	375,497	3,858,969	102,353	129,395	216,763	218,089
Add:- TDS Demand as per 26 AS	15,958	1,074,755	120,405	1,866	60,550	135,608
Add: Donation Paid not Allowed Under Income Tax	248,998	5,224,131	110,100	265,101	-	842,000
Add: Loss by Cyclone (Fixed Assets)	-	-	-	8,186,974	-	6,400,994
Add: Prior Period Expenses	11,072	478,779	394,090	403,970	348,802	183,950
Add: Disallowed u/s 40a	-	-	-	-	-	100,085
Add: Disallowed u/s 43B (b)	-	634,204	765,027	2,277,496	10,264,954	5,251,651
Less: Allowed u/s 43(b)	-	(765,027)	(1,600,301)	(5,345,942)	(5,251,651)	-
Add: Provision for Gratuity	645,013	1,212,823	198,043	700,496	(10,359)	210,817
Add: Disallowed U/s 36(1)	-	-	-	-	-	-
Less- Profit on Sale of Fixed Asset	(14,957,607)	(1,141,253)	113,748	-	-	-
Add- Loss on Sale of Fixed Asset	-	-	-	1,087,455	3,802,942	1,716,024
Deduction under Chapter VIA	-	(2,000,000)	(25,000)	(100,000)	-	(385,000)
Less: Depreciation as per Income Tax Act, 1961	(25,704,956)	(28,208,347)	(31,449,484)	(34,806,532)	(37,851,044)	(36,732,675)
Net Adjustments (B)	(26,078,908)	14,750,531	8,907,879	8,307,974	6,496,246	11,520,216
Business Income (A+B)	29,450,917	66,468,200	39,283,031	30,874,037	48,812,265	63,004,424
Less: Unabsorbed Depreciation to be utilized for Set-Off	-	-	-	-	-	-
Gross Total Income	29,450,917	66,468,200	39,283,031	30,874,037	48,812,265	63,004,424
Tax Payable as per Normal Rate	9,737,357	21,976,381	12,745,379	10,017,081	15,837,139	20,441,785
Tax Payable as per Special Rate	-	-	-	-	-	-
MAT Credit Set Off/Entitlement	-	-	-	-	-	-
Tax as per Income Tax (D)	9,737,357	21,976,381	12,745,379	10,017,081.26	15,837,139	20,441,785
Computation of Book Profits						
PBT as per P&L	55529824	51717669	30,375,152	22,566,063	42,316,019	51,484,208
Add: Interest on TDS	375,497	3,858,969	102,353	129,395	216,763	218,089
Add: Interest on Income tax debited to P&L before tax	-	-	-	-	-	-
Book Profits	55,905,321	55,576,638	30,477,505	22,695,458	42,532,782	51,702,297

Tax Payable as per Minimum Alternate Tax U/s 115 JB of the Income Tax Act, 1961 (D)	11,398,452	11,331,437	6,097,863	4,540,850	8,509,853	10,344,466
Net Tax (Higher of C & D)	11,398,452	21,976,381	12,745,379	10,017,081	15,837,139	20,441,785
Current tax as per restated Statement of Profit & Loss	11,185,397	21,976,381	12,745,379	10,017,081	15,837,139	20,441,785

Notes:-

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.

STATEMENT OF FINANCIAL INDEBTEDNESS

To,

The Board of Directors,
RKEC Projects Limited
10-12-1, Rednam Alcazar,
3rd Floor, Opp. SBI Main Branch,
Old Jail Road, Rednam Gardens
Visakhapatnam, A.P. -530020, India.

Dear Sir,

The principal terms of loans as on 30th September, 2016 is as given below:

A. Secured Loan:-

(Amt in Rs.)

Name of Lender	Purpose	Loan A/c No.	Sanctioned Amount	Rate of interest	Primary Security	Collateral/Other Security	Re-Payment Schedule	Moratorium	Outstanding amount as on as per Books
									30/09/2016
Vijaya Bank	Cash Credit	402606 211000 003	15 Cr.	15.65% (BR+3%)	1. Pledge of NSCs with face value Rs. 0.08 Crores 2. Assignment of LIC Policies with surrender value of Rs. 0.18 Crores 3. Lien on cut-back deposits of Rs. 1.91 Crores 4. Fresh Deposits to be carved out of mobilization advance Rs. 2.43 Crores 5. Mortgage of various Landed properties	1. 325 Sq., 175 Sq. & 183.33 Sq. yards residential vacant site at S. No. 21/C Plot No. 58-15-114, Santi Nagar, Butchirajupalem, Visakhapatnam 2. 116.66 Sq. yards residential site at S. No. 21/C, D. No. 58-15-114/3, Butchirajupalem, Visakhapatnam 3. 365 Sq. yards of vacant site at 1/2 plot no. 7, S. No. 38/2, D. No. 58-81-71, Rajendra Nagar, Resapuvanipalem, Visakhapatnam 4. (a) S. No. 12/5, Ac. 15.90 at Narapam Village (b) S. No. 13, Ac. 5.39 at Narapam Village (c) S. No. 11/4, & 13 Ac. 19.00 at Narapam village 5. 5085 Sq. yards industrial site at Plot No. 38, S. No. 89, Thanglum Industrial Area, Visakhapatnam 6. 444.44 Sq. yards at S. No. 3/2, Plot No. HIG-3, D. No. 39-33-30,	On Demand	-	123,080,874

					<p>Madhavadhara, VUDA Layout, Visakhapatnam</p> <p>7. Residential Flat No. 301, at 3rd Floor, Brindavan Plot No. HIG-55, Block No. 99, T. Survey No. 1008/3A, Door No 7-5-91</p> <p>8. Residential Landed property of 24587.20 Sq. yards at S. No. 271, 266, 270/5, 270-6, 270-7, 270/1, 270-2, 270-4, 268, Maturawada Village GVMC Limits, Visakhapatnam</p> <p>9. Residential site 325 & 125 Sq. yards at S. No. 21/1c, Batchirajupalem Village, NAD Kotha Road, Visakhapatnam</p>		
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For Mansaka Ravi & Associates
Chartered Accountants
Firm Registration No. – 015023C

(CA Ravi Mansaka)
Partner
Membership No. 410816

Place: Jaipur
Date: 10/12/2016

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in the Draft Prospectus. You should also read the section entitled "Risk Factors" beginning on page 16 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, 2016 and for 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 128 of the Draft 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 a construction company primarily engaged in the business of Civil Construction such as construction of Highways, roads and bridges. During the last decade, we have undertaken and successfully completed many construction projects in India covering states of Andhra Pradesh, Tamil Nadu, Gujarat, Odisha, Rajasthan and Maharashtra. In addition to them, we have expanded our presence to three more states, Kerala, Uttar Pradesh and Manipur, with our ongoing projects. We have been able to achieve our targets by fusing tremendous engineering knowledge with groundbreaking skills, experienced team, binding an optimum mix of men, machine and materials across diverse projects.

Our core business is designing and undertaking construction projects such as Bridges, Ports, dams, high-rise structures, airports, cross water, roads, highways, Oil and gas Pipelines, complexes and environmental structures across India. We have attained good reputation among our clients because of our track record, experienced members and a proven strength on delivery norms across its all spectrum of services. We have entered into projects for diverse range of clients including Defence sector, Railways, Ports, Adani Port, Vedanta Ltd, IVRCL Limited, Rashtriya Ispat Nigam Limited and ESSAR.

Our company was incorporated as "RKEC Projects Private Limited" at Visakhapatnam, Andhra Pradesh as a private limited company under the provision of the Companies Act 1956 vide a certificate of incorporation dated April 01, 2005 bearing corporate identification number U45200AP2005PTC45795 issued by the Registrar of Companies, Andhra Pradesh, Hyderabad. After incorporation our company took over the running business of "RK Engineers & Contractors" a proprietorship concern of our promoter Mr. Radhakrishna Garapati, engaged in the business of civil engineering and construction work. Subsequently, the name of our company was changed to "RKEC Projects Limited" upon conversion of the company into a public limited company pursuant to the shareholders resolution passed in the Extra-ordinary General Meeting held on October 31, 2016 and our company was converted into public limited company vide a Fresh certificate of incorporation issued on November 10, 2016 by the Registrar of Companies, Andhra Pradesh.

Our promoter Mr. Radhakrishna Garapati holds a Bachelor's Degree in Mechanical Engineering from Andhra University & has over three decades of experience in the construction sector. Our Promoter along with his qualified team members focus on timely completion of the projects undertaken by the company and acknowledges that projects are critical to the continued growth and success of the Company. Under the leadership of our Promoter we have developed our own fleet of Construction Equipment for earth work, piling and marine works, civil works and bridges.

For the period ended September 30, 2016 and for year ended on March 31, 2016, fiscal 2015 and fiscal 2014 our total revenue was 8367.93 Lakhs, 11350.56 Lakhs, 7174.68 Lakhs & 5864.01 Lakhs respectively. Further, our EBT

for the six months period ended September 30, 2016 and for the twelve month ended March 31, 2016, fiscal 2015 and fiscal 2014 were 555.30 Lakhs, 517.17 Lakhs, 303.75 Lakhs & 225.66 Lakhs respectively.

OUR COMPETITIVE STRENGTHS

1. Timely completion of projects

Timely completion of the project as per the schedule and terms of the contract is of utmost important for us. It is very critical for the growth of the organization. We have a good track record for timely completion of projects with minimum cost overruns. Timely completion of projects also helps the organization in reducing the possibilities of any penalty or liquidated damage being imposed upon by the customers. Execution of the projects in time also helps the company in maintaining good reputation among the clients and gaining repeated orders.

2. Experienced Management and Promoter

Our management has the relevant experience of construction technology and project management. Our team also possesses the requisite qualifications and experience in the construction industry. This team is responsible for the growth in our business operations. Our Company led by our Promoter and management has helped us in achieving strong revenue and profit growth over the past several years. Particularly, we benefit from the expertise of our Promoter and Managing Director, Mr. Radhakrishna Garapati holding a Bachelor's Degree in Mechanical Engineering from Andhra University has over three decades of experience in the construction sector.

3. Own fleet of Construction Equipments

We have developed our own fleet of construction equipment for earth work, piling and marine works, civil works and bridges. Our investment in the construction equipments has helped us in mobilizing the man, material and equipment to the project sites as and when the need arises.

4. Long term Relationship with the Clients

Our company focuses on providing the customers with the desired and standard quality of work. By providing the desired quality and standards we aim to achieve highest level of customer satisfaction and procure repeated orders from customers. Because of our good reputation with the clients we have been able to attain orders from a diverse range of client base including Defence Sector, Railways, Ports, NHAI, IVRCL Limited, Rashtriya Ispat Nigam Limited and ESSAR.

OUR BUSINESS STRATEGY

1. Focus on enhancing the project execution capabilities

We intend to continue our focus in enhancing the project execution capabilities so as to derive benefits of client satisfaction by timely completion and improvement in the operating margins. We constantly endeavor to increase our productivity and make fuller utilization of assets by leveraging our operating skill and resources. We intend to continue our focus on performance and project execution in order to achieve maximum return from our resources. Efficient project management and execution will also enable us to gain good reputation among our clients and earn repeated orders from them.

2. Capturing the growth potential and government focus on Infrastructural sector.

Infrastructural growth in India has gained momentum with the reforms and benefits extended by the government. Government have taken various steps for the industrial and infrastructural growth of the country through increased allocation, facilitation of incremental lending to the infrastructural sector and discounted lending rates to infrastructure sectors. We believe that with the increased focus of the government in the infrastructural sector can be a major growth opportunity for our Company.

3. Attract and retain talented employees

Employees are essential for the success of every organization. We rely on them to operate our construction equipment, complete various tasks on our complex construction projects and deliver quality performance to our clients. We constantly intend to continue our focus on improving health, safety and environment for our employees and provide various programs and benefits for the personal well-being and career development of our employees. We intend to strive to further reduce the employee attrition rate and retain more of our skilled workers for our future expansion by providing them with better, safer and healthier working environment.

4. Diversify into new geographies

We plan to continue our strategy of diversifying across states and increase orders from outside of Andhra Pradesh for the growth of our business. To control diversification risks, we may limit our expansion to other states to undertaking projects first in the areas we can deliver high-quality services. Through an increasingly diversified portfolio, we hope to hedge against risks in specific areas or projects and protect us from fluctuations resulting from business concentration in limited geographical areas. With our increased experience and success, however, our rate of expansion may increase in terms of increases in the number of new states and projects we undertake.

SOME OF OUR ESTEEMED PROJECTS EXECUTED/ACCOMPLISHED

Sr No.	Client	Project details	Value of the Projects (In Rs. Lakhs)
1.	Chief Engineer, Mumbai Port Trust	Re - Construction of Uran Patch Beacon, Elephanta Patch Beacon and construction of Pir Pau Beacon in Mumbai Harbour.	635.62
2.	Director General Naval Project, Visakhapatnam.	Setting up of overhauling facilities for M-36 GTs INSEKSILA, Visakhapatnam	1061.82
3.	East Coast Railway, Bhubaneswar-23	Construction of proposed Major Bridge No.63 (Open web girder) & No. 66 (PSC slab) with pile foundation & RCC substructure, Earthwork, Blanketing, Mechanical compaction etc. in approaches and other allied works in connection with Doubling of Delang-Puri Section of KUR Division in between Km.482.40 to Km. 499.180	1432.89
4.	JNPT	Construction of Mooring Dolphins at Liquid Cargo Jetty at JN Port	871.06
5.	Container Corporation of India Ltd., New Delhi	Construction of Pre Engineered Warehouse (PEB structure) alongwith CC paving around warehouse etc. at proposed MMLP at Visakhapatnam	702.08
6.	Garrison Engineer, AF Station, Thanjavur.	Provision of Compound wall and perimeter road in technical and domestic area (group 'A') at AF station Thanjavur.	1969.54
7.	Director General Naval Project, Visakhapatnam	Construction of SHTIL Preparation hanger At INS Kalinga, Visakhapatnam.	875.35
8.	Rashtriya Ispat Nigam Limited Visakhapatnam Steel Plant	2 Nos of Rain Water Harvesting Ponds, one near VSP Township water treatment plant and other near north of Kanithi Road	237.20
9.	Essar Projects (India) Limited, P.O.Box.7, 44km Jamnagar-361305,	Construction of Coal Berth & Approach for Essar Bulk Terminal Salaya Limited.	10000.00

	Gujarat		
10.	The Executive Engineer (JNNURM) Nanded Waghala City Municipal Corporation, Nanded	Improvement of Movement Network in Nanded City under JNNURM.	5564.24
11.	Dy. Director General and Chief Engineer, DGNP, Visakhapatnam.	Provision of Jetty between N-14 and N-15 (LST Berth N-14A) at Naval Dockyard, Visakhapatnam	6381.32
12.	Director General Naval Project, Naval base, Visakhapatnam	Provision of Additional Storage House at SBC (V)	680.57
13.	Director General Naval Project, Visakhapatnam	Augmentation of Steam System Repair Infrastructure System at NDV	1335.83
14.	Essar Constructions (India) Limited, P.O. Box No.24, Khambhalia, Jamnagar	Construction of Product berth 02 & 03.	1750.44
15.	IVRCL Infrastructures & Projects Limited, M-22, 3RT, Vijayanagar colony, Hyderabad-500057.	Construction of Major Bridge at Km.412.218 (Bridge No.413/1) Across River Beas.	3709.00
16.	Punj Lloyds Limited	Construction of Major Bridges, ROB, Minor Bridge, Box/Pipe Culverts, Underpasses etc. on Dharmavaram-Tuni Road Project in Vijayawada- Visakhapatnam section of NH-5 in the state of Andhra Pradesh.	1171.82
17.	Chief Engineer/Con-1, East Coast Railway, Bhubaneswar-23	Construction/Execution of foundation substructure, super structure and approach earth work for Major bridge No.343 over TEL between Titilagarh Kesinga (20x30.50m span PSC box girder) in connection with R-V Doubling phase-III between Titilagarh Lanjigarh Road (foundation, substructure with risk & cost and superstructure & approach earth work without risk & cost)	1322.89
18.	Essar Projects Limited,	Construction of Product Berth at Vadinar.	2866.00
19.	Chief Engineer (Con-1), East Coast Railway Bhubaneswar.	Execution of balance work of foundation, substructure and construction of superstructure of major bridge no.382(10x30.50m span PSC Girder at Km.148.683 in connection with Tomka Baspani Rail Link Project.	1249.95
20.	IVRCL Infrastructures & Projects Limited	Design, construction, development, finance, operation and maintenance of existing 2 Lane portion from Km 00 (Salem) to Km 53.00 at 4 Lane on NH 47	5709.00

ONGOING PROJECTS

Sr No	Client	Location	Project details
1.	Office of Director General Naval Project,	Visakhapatnam, Andhra Pradesh	Augmentation of Shore Supply at N-4 to N-26 Jetties, Dry Docks, Slipways and

	Visakhapatnam		Degaussing Bay including associated works at ND(V)
2.	Office of Director General Naval Project, Visakhapatnam	Visakhapatnam, Andhra Pradesh	Construction of Jetty with Loading Facility at Visakhapatnam
3.	Cochin Port Trust, Cochin 682 009	Cochin, Kerala	Construction of Multi-User Liquid Terminal at Puthuvypeen, Cochin Port
4.	Purvanchal Vidyut Vitran Nigam Limited, Varanasi	Pratapgarh, Uttar Pradesh	Rural Electrification works of Pratapgarh district in Uttar Pradesh State under Rajiv Gandhi Grameen Vidyutikaran Yojna (RGGVY) - 12th Plan
5.	PWD, Puducherry	Pondicherry	Construction of Road Over Bridge AT LC-43A at Km.38/175 of NH45A in Puducherry
6.	Chief Engineer, MES, Shillong Zone	Leimakhong, Manipur	Provn of OTM ACCN No 1 at Leimakhong

EQUIPMENTS

We have developed our own fleet of equipments which are used in the execution of the projects. Brief details of major Equipments and Machinery used in the execution of the project work are Automatic Batching Plants for mixing of concrete, Transit mixers for transportation of concrete, Concrete pumps, Jack up Barges, Plat Top Brages with heavy cranes upto 100 tons capacity, Poclain Tata Hitachi, Bull Dozer BEML D-50, Tipper Ashok Leyland, Vibromax Greaves, Grader, Hot Mix Paver Apollo, Gantries for execution of marine piling works, tripod for land piles, Winch, Reverse mud circulating machine, Bailors, Chisel, Lathe Machine, Crane Tata, Hydra Escorts, Electrical Motor, welding machines, cutting machines, compressors, vibrators Loader, Crawler, Concrete Mixer, Concrete Vibrator, Tar boiler, Vibro Hammer Lambadini Elec. and Mixers.

We also have machines used for testing; so that we complete the work as per the desired specifications which include Theodolite, Moister Metre, Cube testing machine, weighing machine, Dumpy/tilting meter and Prismatic compass.

COLLABORATIONS/TIE UPS/ JOINT VENTURES

We do not have any Collaborations/ Tie-Ups/ Joint Ventures as on the date of Draft Prospectus.

EXPORT OBLIGATION

Our Company does not have any export obligation as on date of this Draft Prospectus.

CAPACITY AND CAPACITY UTILIZATION

Our business is project specific and not of the nature of a manufacturing concern with specified installed capacity. Hence, capacity and capacity utilization is not applicable to us.

HEALTH, SAFETY AND ENVIRONMENT

Our company is committed to complying with the applicable health, safety and environmental regulations and other requirements in our operations. To help ensure effective implementation of our safety policies and practices, we identify potential hazards, evaluate all material risks and institute, implement and monitor appropriate risk mitigation measures at the time of planning for the projects. We endeavor to minimize any accidents at our project sites by equipping our manpower with safety equipment and material that covers them from the risk of potential health hazards.

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, quality of execution, performance records and post execution support are the key factors in client decision among competitors.

Some of our major competitors are:-

1. Gammon India Limited
2. IDDC Cementation Limited
3. L & T Limited
4. Afcons Infrastructures Limited
5. Navayuga Engineering Company

SIGNIFICANT DEVELOPMENT SUBSEQUENT TO THE LAST FINANCIAL YEAR:-

In the opinion of the Board of Directors of our Company, there have not arisen any circumstances since the date of the last financial statements disclosed in this Draft 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 regularized Mr. Pothanna Boina, Mr. Bangarayya Pilla and Mrs. Sita Ratnam Gudapati as Non Executive Director of the Company.
2. Resignation of Mr. Pothanna Boina, Mr. Bangarayya Pilla as Non Executive Director in the Board Meeting dated November 25, 2016
3. We have appointed Mr. Lucas Peter Thalakala, Vice Admiral (retd.) Satish Soni & Lt. Gen. (retd.) Peruvemba Ramachandran Kumar as Additional Non Executive and Independent Director of the Company with effect from November 25, 2016. Regularised as Non Executive Independent Director with effect from December 01, 2016
4. We have changed the designation of Mr. Radhakrishna Garapati from Managing Director to Managing Director & Chairman of the Company with effect from December 01, 2016.
5. We have changed the designation of Mrs. Parvathi Devi Garapati to Whole Time Director of the Company with effect from December 01, 2016.
6. We have appointed Brig. (retd.) G V Satyanarayana as Chief Financial Officer of the Company with effect from November 20, 2016.
7. We have appointed Ms. Swapna Bansode as Company Secretary & Compliance officer of the Company with effect from December 01, 2016.
8. 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 October 31, 2016 vide a fresh Certificate of incorporation dated November 10, 2016, issued by the Registrar of Companies, Andhra Pradesh.
9. The authorized capital of the Company was increased from ₹ 10,01,00,000/- divided into 1,00,10,000 Equity Shares of ₹ 10/- each to ₹ 25,00,00,000/- divided into 2,50,00,000 Equity Shares of ₹ 10/- each vide shareholders Resolution dated September 30, 2016.
10. Company has allotted 96,56,300 Bonus Shares in the ratio of 1:1 to existing shareholders by capitalization ₹ 9,65,63,000 from Reserve and surplus vide shareholder resolution dated September 30, 2016.

11. We have passed a special resolution in shareholders meeting dated December 01, 2016 authorizing the Board of Directors to raise funds by making an Initial Public Offering up to ₹ 10 crores.
12. 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 November 25, 2016.

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 Construction business.
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. General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
5. Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
6. Disruption in supply of Raw Materials at our projects sites;
7. Recession in the market;
8. Changes in laws and regulations relating to the industries in which we operate;
9. Effect of lack of infrastructure facilities on our business;
10. Occurrence of Environmental Problems & Uninsured Losses;
11. Our ability to successfully implement our growth strategy and expansion plans;
12. Our ability to meet our capital expenditure requirements;
13. Our ability to attract, retain and manage qualified personnel;
14. Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;
15. Failure to obtain any approvals, licenses, registrations and permits in a timely manner;
16. Delay in timely completion of the Company's projects;
17. 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;
18. Occurrence of natural disasters or calamities affecting the areas in which we have operations;
19. Conflicts of interest with affiliated companies, the promoter group and other related parties;
20. The performance of the financial markets in India and globally;
21. Any adverse outcome in the legal proceedings in which we are involved;
22. Our ability to expand our geographical area of operation;
23. Concentration of ownership among our Promoter.

Our Significant Accounting Policies:

Our significant accounting policies are described in the section entitled “*Financial Information of the Company*” on page 128 of this Draft Prospectus.

Change in accounting policies in previous 3 (three) years

Except as mentioned in chapter “*Financial Information of the Company*” on page no. 128 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 Half year ended September 30, 2016 and 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	30-Sep-16	% 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
Revenue from Operations	815421587	97.45	1125813819	99.19	708368804	98.73	572559549	97.64	793990165	97.64
Other income	21371261	2.55	9242668	0.81	9099837	1.27	13841344	2.36	19192415	2.36
Total Revenue (A)	836792848	100.00	1135056487	100.00	717468641	100.00	586400893	100.00	813182580	100.00
Expenses:										
Purchase of Material	311418010	37.22	568317254	50.07	286249660	39.90	231965932	39.56	377293546	46.40
Employee Benefits Expense	57732079	6.90	81006498	7.14	49060570	6.84	48785886	8.32	82044642	10.09
Administrative and other Expenses	248422368	29.69	460587729	40.58	282309167	39.35	251420538	42.88	270406573	33.25
Finance Costs	32617732	3.90	53180637	4.69	32410156	4.52	42452367	7.24	36078076	4.44
Depreciation And Amortization Expense	13287118	1.59	34381497	3.03	40178898	5.60	35507696	6.06	34915290	4.29
Changes in inventory of Stock	117774645	14.07	(114613576)	(10.10)	(3509052)	(0.49)	(54888533)	(9.36)	(30220368)	(3.72)
Total Expenses (B)	781251952	93.36	1082860039	95.40	686699399	95.71	555243886	94.69	770517759	94.75
Profit before exceptional and extraordinary items and tax (A-B)	55540896	6.64	52196448	4.60	30769242	4.29	31157007	5.31	42664821	5.25
Exceptional/Prior Period item	(11072)	(0.00)	(478779)	(0.04)	(394090)	(0.05)	(403970)	(0.07)	(348802)	(0.04)
Profit before extraordinary items and tax	55529824	6.64	51717669	4.56	30375152	4.23	30753037	5.24	42316019	5.20
Extraordinary item	-	-	-	-	-	-	8186974	1.40	-	-
Profit Before Tax	55529824	6.64	51717669	4.56	30375152	4.23	22566063	3.85	42316019	5.20
Provision for Tax		0.00		0.00		0.00		0.00		0.00
- Current Tax	11185397	1.34	21976381	1.94	12745379	1.78	10017081	1.71	15837139	1.95
- Deferred Tax Liability / (Asset)	9051004	1.08	(2202927)	(0.19)	(2608824)	(0.36)	1787974	0.30	(1887979)	(0.23)
MAT Credit Entitlement	(1448040)	(0.17)	-	-	-	-	-	-	-	-
Short/(Excess) Tax adjustment of prior years	-	-	-	-	631500	0.09	-	-	376940	0.05
Restated profit after tax for the period from continuing operations	36741464	4.39	31944215	2.81	19607097	2.73	10761008	1.84	27989919	3.44
Profit/ (Loss) from Discontinuing operation	-	-	-	-	-	-	-	-	-	-
Tax expenses of discontinuing operations	-	-	-	-	-	-	-	-	-	-
Restated profit for the period	36741464	4.39	31944215	2.81	19607097	2.73	10761008	1.84	27989919	3.44

Key Components of Company's Profit And Loss Statement

Revenue from sale of Goods: Revenue from operations mainly consists of business of Civil Works, Marine works, Construction of Roads, Building, Bridges and Flyovers.

Other Income: Other income primarily comprises of Interest Income.

Expenses: Company's expenses consist of cost of material consumed, construction expenses, employee benefits expense, finance costs, depreciation and amortization expense and Administration & other expenses.

Change in inventories: It includes the cost of the work under process.

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 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 year ended 30th September, 2016**Total Income:**

The company's total income during year ended September 30, 2016 was ₹ 8367.93 Lacs. The revenue from construction activity was ₹ 8154.21 Lacs which comprised 97.45 % of company's total income for the year ended September 30, 2016.

Total Expenses:

The total expenditure during the year ended September 30, 2016 was ₹ 7812.52 Lacs. The total expenditure represents 93.36% of the total revenue. The total expenses are represented by Cost of Material Consumed, Changes in work in progress, Employee Benefits Expense, Finance Costs, Depreciation and Amortization Expense, Other Expenses for Administrative expenses. The main constituent of total expenditure is Cost of Material Consumed, which is ₹ 3114.18 Lacs.

Profit/ (Loss) after tax:

The restated net profit during the year ended September 30, 2016 was ₹ 367.41 Lacs representing 4.39% of the total revenue of the Company.

Financial Performance Highlights for the year ended 31st March, 2016**Total Income:**

The company's total income during year ended March 31, 2016 was ₹ 11350.56 Lacs. The revenue from construction activity was ₹ 11258.14 Lacs which comprised 99.19 % 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 ₹ 10828.60 Lacs. The total expenditure represents 95.40% of the total revenue. The total expenses are represented by Cost of Material Consumed, Changes in work in progress, Employee Benefits Expense, Finance Costs, Depreciation and Amortization Expense, Other Expenses for

Administrative expenses. The main constituent of total expenditure is Cost of Material Consumed, which is ₹ 5683.17 Lacs.

Profit/ (Loss) after tax:

The restated net profit during the year ended March 31, 2016 was ₹ 319.44 Lacs representing 2.81 % 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 ₹ 11350.56 Lacs as against ₹ 7174.68 Lacs in the year 2014-15, representing an increase of 58.20% of the total revenue. This increase was mainly due to increase in construction activities.

Other Income:

Other income of the Company for the year 2015-16 was ₹ 92.42 Lacs in comparison with ₹ 90.99 Lacs for F.Y. 2014-15.

Total Expenses:

The total expenditure for the year 2015-16 increased to ₹ 10828.60 Lacs from ₹ 6866.99 Lacs in year 2014-15, representing an increase of 57.69% to the previous year.

Cost of Material:

The Cost of Material Consumed for the year 2015-16 increases to ₹ 5683.17 Lacs from ₹ 2862.49 Lacs, representing an increase of 98.54% 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 ₹ 810.06 Lacs during the F.Y. 2015-16 from ₹ 490.60 Lacs in the previous year 2014-15.

Finance Costs:

Finance cost for the year 2015-16 increased to ₹ 531.80 Lacs as against ₹ 324.10 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 ₹ 343.81 Lacs calculated at as per companies Act. For the year 2014-15 the same was ₹ 401.79 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 ₹ 4605.88 Lacs as against ₹ 2823.09 Lacs of the year 2014-15.

Profit/ (Loss) Before Tax

The company's profit before tax for F.Y. 2015-16 increase to Rs 517.17 Lacs from ₹ 303.75 Lacs in the year 2014-15 representing an increase of 70.26% to the previous year.

Profit/ (Loss) After Tax

For the year 2015-16 the profit stood at ₹ 319.44 Lacs as against the profit of ₹ 196.07 Lacs for the year 2014-15, representing an increase of 62.92% 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 ₹ 7174.68 Lacs as against ₹ 5864.01 Lacs in the year 2013-14, representing an increase of 23.72% of the total revenue. This increase was mainly due to increase in construction activities.

Other Income:

Other income of the Company for the year 2014-15 was ₹ 90.99 Lacs in comparison with ₹ 138.41 Lacs for F.Y. 2013-14.

Total Expenses:

The total expenditure for the year 2014-15 increased to ₹ 6866.99 Lacs from ₹ 5552.44 Lacs in year 2013-14, representing an increase of 23.68% to the previous year. This was due to surge in volume of business, which resulted in increase in expenses viz. Cost of material and other expenses.

Cost of Material Consumed:

The Cost of Material Consumed for the year 2014-15 increased to ₹ 2862.49 Lacs from ₹ 2319.65 Lacs, representing a rise of 23.40% to the 2013-14.

Employee Benefits Expense:

The Employee Benefit Expense comprises of salaries and wages and staff welfare expenses. The said expenses increase to ₹ 490.60 Lacs during the F.Y. 2014-15 from ₹ 487.85 Lacs in the previous year 2013-14.

Finance Costs:

Finance cost for the year 2014-15 decreased to ₹ 324.10 Lacs as against ₹ 424.52 Lacs of the year 2013-14. This decrease in amount of borrowings of the Company.

Depreciation and Amortization Expense:

Depreciation for the year 2014-15 stood at ₹ 401.79 Lacs calculated as per companies Act. For the year 2013-14 the same was ₹ 355.07 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 ₹ 2823.09 Lacs as against ₹ 2514.20 Lacs of the year 2013-14.

Profit/ (Loss) Before Tax

The company's profit before tax for F.Y. 2014-15 rise to Rs 303.75 Lacs from ₹ 225.66 Lacs in the year 2013-14 representing a rise of 34.61% to the previous year.

Profit/ (Loss) After Tax

For the year 2014-15 the profit stood at ₹ 196.07 Lacs as against the profit of ₹ 107.61 Lacs for the year 2013-14, representing an increase of 82.21% 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 decreased to ₹ 5864.01 Lacs as against previous financial year 2012-13 of ₹ 8131.82 Lacs representing a decrease of 27.89%.

Total Expenses:

Total expenditure for the F.Y. 2013-14 decreased to ₹ 5552.44 Lacs from ₹ 7705.17 Lacs in FY 2012-13 a decrease of 27.94%. This was due to decrease in volume of business, which resulted in decrease in expenses viz. Cost of material, employees benefit expenses, changes in work under process and other expenses.

Employee benefits expense:

Employee benefits expense decreased to ₹ 487.86 Lacs in the year F.Y 2013-14 from ₹ 820.45 Lacs in FY 2012-13, i.e. a decrease of 40.54%. This was also due to decrease in the remuneration of Directors.

Finance Costs:

Finance costs increased to ₹ 424.52 Lacs in F.Y 2013-14 as compared to F.Y 2012-13 in which it was ₹ 360.78 Lacs

Depreciation and amortization expense:

Depreciation and amortization expense increased in FY 2013-14 to ₹ 355.07 Lacs from ₹ 349.15 Lacs compare to previous year FY 2012-13.

Other expenses:

Other expenses for the F.Y 2013-14 decreased to ₹ 2514.20 Lacs whereas it was ₹ 2704.06 Lacs in previous F.Y. 2012-13.

Net Profit before tax:

Net Profit before tax for the F.Y 2013-14 decreased to ₹ 225.66 Lacs as against ₹ 423.16 Lacs of the previous year 2012-13.

Profit after tax:

The Restated profit after tax for the F.Y 2013-14 decreased to ₹ 107.61 Lacs as against ₹ 279.90 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 Draft 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 16 in the Draft 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 infrastructural development, 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 civil construction. Relevant industry data, as available, has been included in the chapter titled “*Industry Overview*” beginning on page 74 of this Draft 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 construction business.

7. *Status of any publicly announced New Products or Business Segment*

Please refer the chapter titled “*Our Business*” beginning on page 81 of this Draft Prospectus.

8. *Seasonality of business*

Our Company’s business is not seasonal in nature.

9. *Dependence on few customers/ clients*

We are a civil construction company our revenue are majorly dependent on the tender received in favour of our company. We are not dependent on a single or few suppliers.

10. *Competitive conditions*

Competitive conditions are as described under the Chapters “*Industry Overview*” and “*Our Business*” beginning on pages 74 and 81 respectively of the Draft Prospectus.

11. *Details of material developments after the date of last balance sheet i.e. September 30, 2016*

Except as mentioned in this Draft Prospectus, no circumstances have arisen since the date of last financial statement until the date of filing the Draft 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 Draft 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, Promoter 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

Particulars	Amount (in Rs. Lakhs) as on 30.09.2016
Contingent liabilities in respect of:	
Sales/VAT/Service Tax demands / Notices/Appeals	931.18
Guarantees given on Behalf of the Company	11600.00
Other moneys for which the company is contingently liable	0.75
Total	12531.93

PART 2: LITIGATION RELATING TO OUR COMPANY

A. FILED AGAINST OUR COMPANY

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Litigation involving Tax Liability

i. Direct Tax

(a) Income Tax:

The Company has received a notice under section 143 (2) of the Income Tax Act, 1961 dated 28/10/2015 for the Assessment year 2014-15 wherein the company was directed to furnish the copy of return of income, audit report and computation of the income statement to which the company filed their reply dated 10/11/2015 and furnished the requisite documents. Further the company again received a notice under section 142 (1) of the Act of 1961 for the Assessment Year 2014-2015 dated 26/05/2016 wherein the Department further directed to furnish certain documents from the company to which the company reply dated 5/12/2016 and furnished the

documents to the department. The amount involve in the matter is unascertain. The matter is pending assessment.

ii. Indirect Tax**(a) Sales Tax:**

The company has filed Special Appeal No. 16/2016 in the High Court of Andhra Pradesh at Hyderabad on 31/08/2016 challenging the Order of Ld. Commissioner of Commercial Tax, Andhra Pradesh, Hyderabad dated 15/07/2016 passed in CCT Ref. No. LII (1)/249/2015 for the tax period April 2009 to March 2010 and April 2010 to March 2011. Under the impugned order the company has an additional tax liability of Rs. 1,60,37,730/- under Andhra Pradesh Sales Tax which is ordered to be recovered from the refund of Input credit available to the company. The matter is at the stage of Admission of Appeal.

(b) VAT:

- i. The company's Tamil Nadu VAT assessment for the Year 2010-2011 is pending security. The Assessing officer of Tamil Nadu VAT department conducted a best judgment assessment for the Year 2010-11 had determined taxable turnover at Rs. 714,75,697/- and the Tax levied for Rs. 33,83,747/- and a penalty was levied at Rs. 50,75,621/-. The company thus filed an appeal with Learned Appellate Deputy Commissioner (CT), Cuddalore, Tamil Nadu bearing Tamil Nadu VAT Appeal No. AP No. 103/2014. Under the order, the matter was remanded back to the Assessing officer with direction for determination of tax. The assessment is pending before the Assessing Officer.
- ii. The company's VAT assessment for the Year 2011-12 is pending security. The Assessing officer of Tamil Nadu VAT department conducted a best judgment assessment for the Year 2011-12. The Company has disputed the increase of deemed sale value of Rs. 8,03,24,674/- and the Tax levied for Rs. 37,66,380/- and the penalty levied at Rs. 56,49,570/- and filed an appeal with Learned Appellate Deputy Commissioner (CT), Cuddalore, Tamil Nadu bearing VAT Appeal No. AP No. 104/2014. Under the order, the matter was remanded back to the Assessing officer with direction for determination of tax. The assessment is pending before the Assessing Officer.

(c) Service Tax:

The company has filed Appeal ST/468/2012 on 24/02/2012 before The Hon'ble Customs, Excise and Service Tax Appellate Tribunal, Bangalore (CESTAT) against the impugned order in Original No. 52/2011 (MP) dated 14/11/2011 praying the waiver of pre-deposit of service tax, interest thereon and penalty imposed and also to grant stay on the recovery. The respondent, Commissioner of Customs, Excise and Service Tax, Vishakhapatnam, imposed a penalty of Rs. 49,17,751/- towards Service Tax under the category of Commercial or Industrial Construction Service for the period of 01/10/2004 to 31/03/2009, Rs. 95,82,242/- for Service tax under the category of Management, Maintenance or Repair services, Rs. 9,77,011/- under the category of Transport of Goods by Road Service, Rs. 91,26,117/- for wrongful availment of Cenvat Credit. The Respondent Department further imposed a penalty of Rs. 1,64,77,004/ which is equivalent amount of Service Tax imposed under section 78 of Finance Act, 1994, Rs. 91,26,117/- under Cenvat Credit Rules, penalty of Rs. 10,000/- for non-submissions of returns under GTA Service. The Respondent Department further ordered for appropriation of Rs. 39,47,390/- paid towards availment of Cenvat Credit, Rs. 30,63,194/- paid towards payment of Service tax, Rs. 9,76,715/- paid towards GTS Service, Rs. 9,34,164 paid as interest in respect of service tax short paid, Rs. 67,151/- paid towards interest in delayed payment of service tax. Thus, the total additional liability of Rs. 5,92,04,856/- in the form of Tax, interest and penalty has been imposed on the company under the said impugned order. The Company has submitted that the actual service tax amount payable is determined at Rs. 1,05,85,475/- and the company had already paid an amount Rs. 79,86,942/- towards service tax and Rs. 10,43,866/- towards interest liability. The Company has been granted an interim stay for the recovery of impugned amount vide Stay Order No. 1462/2012 dated 29/08/2012. The amount of liability involved in this matter is Rs. 5,92,04,856/-. The matter is still pending before the court for hearing.

4) Other Pending Litigation

a. M/s East Coast Fuels v. RKEC Projects Pvt. Ltd

The company has filed Second Appeal SASR 896 of 2015 on 19/01/2015 before the Hon'ble High Court of Judicature at Hyderabad for the State of Telangana and Andhra Pradesh against the Order passed by Ld. VII Additional District Judge (FTC), Visakhapatnam under case no. O.S. 996/2009 in the favor of East Coast Fuels whereby the company East Coast Fuels had filed a suit for recovery of Rs. 3,25,770/- from the company RKEC Projects Pvt. Ltd. with subsequent interest at the rate of 24% per annum towards arrears of hire charges, transport and operator batta charges of two Hydraulic cranes supplied by the East Cost Fuels to the company on monthly hire. The amount involved in the matter is Rs. 3,25,770/-. The company has filed a compromise in the said matter with High Court and has paid Rs. 2,50,000/- to the company under the said settlement. The matter is at the Interlocutory stage and is pending for final disposal.

B. CASES FILED BY OUR COMPANY**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**b. M/s RKEC Projects Pvt. Ltd. v. Union of India & Others**

The Company filed a Writ Petition No. 25625 of 2009 on 24/11/2009 before the Hon'ble High Court of Andhra Pradesh at Hyderabad against Union of India represented by Ministry of Defence, New Delhi. The Department under the Tender Contract was recovering an amount equivalent to 1% of gross value of total bills raised by the company as against the labour component of construction cost, thus creating additional cost on the company and which may result in violation of section 3, 4 and 5 in the Building and Other Construction Workers Welfare Cess Act, 1966 and the Rule 3, 4, 7 and 8 of the Rules framed under the Act. The said writ is in respect to the tender CA No DDG & CE (V) of 2008-09 for a value of Rs. 12,88,95,464.88/- and second tender CA No. DDG & CE (V) 09 of 2008-09 for a value of Rs. 57,10,10,573.80/-. An interim Order has been passed in W.P.M.P. No. 33378/2009 whereby the Respondents, Union of India & Others are directed to deduct 1% of cess only on labour component and not on entire estimated cost of work till the matter is disposed off. The total amount involved in the matter is Rs. 69,99,906/- which is 1% of the contract values. The Writ Petition is pending for hearing and final disposal.

PART 3: LITIGATION RELATING TO OUR DIRECTORS AND PROMOTER OF THE COMPANY**A. LITIGATION AGAINST OUR DIRECTORS AND PROMOTER****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 PROMOTER

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 COMPANY

A. LITIGATION AGAINST OUR GROUP COMPANY

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Litigation involving Tax Liability

Direct Tax - NIL

Indirect Tax - NIL

4) Other Pending Litigation

NIL

B. LITIGATION FILED BY OUR GROUP COMPANY

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Litigation involving Tax Liability

Direct Tax – NIL
 Indirect Tax - NIL

4) Other Pending Litigation

NIL

PART 5: AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS

There are no disputes with such entities in relation to payments to be made to our Creditors.
 Below are the details of the Creditors where outstanding amount as on 30.09.2016:-

Name	Balance as on 30.09.2016
Total Outstanding dues to Micro and Small & Medium Enterprises	-
Total Outstanding dues to Creditors other than Micro and Small & Medium Enterprises	221,359,651

PART 6: MATERIAL DEVELOPMENTS OCCURRING AFTER LAST BALANCE SHEET DATE

Except as disclosed in Chapter titled “Management’s Discussion & Analysis of Financial Conditions & Results of Operations” beginning on page 163 there have been no material developments that have occurred after the Last Balance Sheet Date.

GOVERNMENT AND OTHER APPROVALS

We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business (as applicable on date of this Draft Prospectus) and except as mentioned below, no further approvals are required for carrying on our present business.

In view of the approvals listed below, we can undertake this Issue and our current/proposed business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the Issue or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Draft 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:

Government / Statutory Approvals

The Company has got following licenses/registrations/approvals/consents/permissions from the Government and various other Government agencies required for its present business.

A. Incorporation documents:

S. No	Nature of Registration/ License	Registration/Li cense No.	Applicable Laws	Issuing Authority	Date of issue	Date of Expiry
1.	Certificate of Incorporation	1-45795 of 2005 - 2006	Companies Act, 1956	Registrar of Companies, Andhra Pradesh	April, 01, 2005	Valid till cancelled

B. Corporate/ General Authorizations:

S. No	Nature of Registration/ License	Registration/Lic ense No.	Applicable Laws	Issuing Authority	Date of issue	Date of Expiry
1.	Permanent Account Number	AACCR9682A	Income Tax Act, 1967	Commissioner of Income Tax	--	Valid till cancelled

C. Business Related Certifications

The Company has received the following significant government and other approvals pertaining to the business:

S. No.	Nature of Registration/ License	Registrati on/Lic ense No.	Applicable Laws	Issuing Authority	Date of issue	Date of Expiry
(REGISTRATION UNDER VARIOUS ACTS/RULES RELATING TO INCOME TAX, SALES TAX AND VALUE ADDED TAX):						
1.	TAN (Tax Deduction Account Number)	VPNR006 46C	Income Tax Act 1961	Income Tax Department	May 04, 2005	Valid till cancelled
2.	Sales Tax Registration Certificate	343800207 21	Central	Deputy Commercial Tax Officer (RC), Commercial Taxes Department,	TIN (VAT) September 30, 2014	Valid till cancelled

			Sales Tax Act, 1956	Puducherry		
3.	Central Sales Tax Registration Certificate	343800207 21	Puducherry Value Added Tax	Deputy Commercial Tax Officer (RC), Commercial Taxes Department, Puducherry	TIN (CST) September 30, 2014	Valid till cancelled
4.	Sales Tax Registration Certificate (Works Contract)	091819258 52C	Uttar Pradesh Value Added Tax, 2007	Department of Commercial Taxes, Government of Uttar Pradesh	TIN (VAT) January 13, 2016	Valid till cancelled
5.	Central Sales Tax Registration Certificate	091819258 52C	Central Sales Tax, 1956	Uttar Pradesh	TIN (CST) August 06, 2016	Valid till cancelled
6.	Sales Tax Registration Certificate	375502300 66	Andhra Pradesh Value Added Tax, 2005	Assistant Commercial Tax Officer, Dwarakanagar Circle, Visakhapatnam	TIN (VAT) June 02, 2014	Valid till cancelled
7.	Central Sales Tax Registration Certificate	375502300 66	Central Sales Tax, 1956	Assistant Commercial Tax Officer, Dwarakanagar Circle, Visakhapatnam	TIN (CST) June 02, 2014	Valid till cancelled
8.	Certificate of Registration under Value Added Tax	241001065 32	Gujarat Value Added Tax, 2003	Assistant Commissioner of Commercial Tax, Unit-100, Jamnagar	TIN (VAT) June 26, 2006	Valid till cancelled
9.	Central Sales Tax Registration Certificate	241001065 32	Central Sales Tax, 1956	Assistant Commissioner of Commercial Tax Unit-100, Jamnagar	TIN (CST) June 02, 2014	Valid till cancelled
10.	Certificate of Registration under Value Added Tax and Central Sales Tax	270706123 19	Maharashtra Value Added Tax, 2002 and Central Sales Tax, 1956	Sales Tax Officer, Nanded	TIN (VAT and CST) June 06, 2007	Valid till cancelled
11.	Certificate of Registration under Value Added Tax	149214011 75	Manipur Value Added Tax Act, 2004	Assistant Commissioner of Taxes, Manipur	TIN (VAT) June 06, 2013	Valid till cancelled
12.	Central Sales Tax Registration Certificate	149213232 72	Central Sales Tax Act, 1956	Assistant Commissioner of Taxes, Manipur	TIN (CST) June 06, 2013	Valid till cancelled
13.	Central Sales Tax Registration Certificate	CST: 931528 and TIN: 337534452 16	Central Sales Tax Act, 1956	Assistant Commissioner, Woraiyur Assistant Circle, Court Campus, Tiruchi	TIN (CST) January 24, 2011	Valid till cancelled
14.	Service Tax	AACCR96		Central Excise	April 25,	Valid till

	Registration (Taxable Services: Commercial & Industrial Construction)	82AST001	The Finance Act, 1994	Officer, Office of the Superintendent of Central Excise & Service Tax, Range III, Division IV	2006	cancelled
15.	Certificate of Import – Export Code	2610002238	Foreign Trade (Regulation) Rules, 1993	Ministry of Commerce and Industry, Office of Joint Director General of Foreign Trade, Visakhapatnam	October 27, 2010	Valid till cancelled
16.	Andhra Pradesh Profession Tax Payer Registration Certificate	PTIN: 28804472507	Andhra Pradesh Tax on Professions, Trades, Callings and Employments Act, 1987	Profession Tax Officer, Dwarakanagar Circle, Visakhapatnam	June 01, 2012	Valid till cancelled
INDUSTRIAL AND LABOUR APPROVALS:						
1.	Provident Fund Registration on account of change of status from Partnership firm to Company	Provident Fund Code: AP/VP/28821	Employee’s Provident Funds & Miscellaneous Provisions Act, 1952	Assisstant, Provident Fund Commissioner (COMPL), SRO: Visakhapatnam	August 24, 2016	Valid till cancelled
2.	Certificate of Registration	Entrepreneur Memorandum No. 280132201077	Micro, Small and Medium Enterprise Act, 2006	District Industries Centre, Visakhapatnam	January 31, 2014	Valid till cancelled
3.	Enlistment of Contractor in Civil Category CIV – IV Class with tendering limit upto Rs. 25,00,00,000/- (Rupees Twenty Five Crores Only)	CCE(R&D)/ENLISTMENT-2015 ORDER/C IV-IV/205	DRDO Enlistment Guidelines, 2015	Chief Construction Engineer, Defense Research & Development Org., Government of India, Ministry of Defence	December 01, 2015	November 30, 2020
4.	Enlistment as class “S” Contractor in Director General Naval Projects (V) with upper tendering limit upto Rs. 15,00,00,000/- (Rupees Fifteen Crores Only)	DG/2065/S/RKEC/97/E8	--	Deputy Director (Contracts), Office of the Director General Naval Project, Visakhapatnam	January 01, 2016	December 31, 2020
5.	Certificate of Registration of Establishment	AP-03-84-019-0285559	The Andhra Pradesh (Issuance of Integrated Registration	Government of Andhra Pradesh, Labour Department	June 30, 2016	March 31, 2019

			and Furnishing of Combined Returns under various Labour Laws by certain establishment s) Act, 2015			
6.	Certificate of Registration of Shop or Establishment	17276	The Puducherry Shops And Establishments Act, 1964	Assistant Inspector of Labour, Puducherry	December 10, 2014	March 31, 2017
7.	Certification of Registration under ESIC	ESIC Code No. 700003309 30001001	Employees' State Insurance Act, 1948	Employees' State Insurance Corporation, Sub- Regional Office	June 19, 2003	Valid till cancelled
APPROVALS FOR PROJECT: CONSTRUCTION OF JETTY WITH LOADING FACILITY AT VISAKHAPATNAM						
1.	Contract Labour License	459/2015	Contract (Regulation and Abolition) Act, 1970.	Regional Labour Commissioner (Central) & Licensing Officer, Visakhapatnam	September 21, 2015	September 13, 2017
APPROVALS FOR PROJECT: CONSTRUCTION OF MULTI USER LIQUID TERMINAL AT PUTHUVYPEEN, COCHIN PORT						
1.	Labour License	ISMW/L- 017/2016/ ALC- EKM/D1	Interstate Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979	Assistant Labour Commissioner (Central) & Licensing Officer & Ernakulam	July 25, 2016	July 24, 2017
APPROVALS FOR PROJECT: PROVN OF OTM ACCN NO. 1 AT LEIMAKHONG						
1.	Contract Labour License	79 of 2014	Contract (Regulation and Abolition) Act, 1970.	Licensing Officer, Government of Manipur	December 23, 2015	December 22, 2016

D. QUALITY CERTIFICATIONS AND REGISTRATION/MEMBERSHIP OF TRADE ASSOCIATION/EXPORT COUNCIL AND TECHNICAL APPROVALS/ INTELLECTUAL PROPERTY RIGHTS:

S. No	Nature of Registration/ License	Registration/License No.	Issuing Authority	Date of issue	Date of Expiry
1.	Certificate of Membership	Regn. No. C1 - 13	Andhra Pradesh Chambers of Commerce and Industry Federation	February 2016	March 31, 2017

FOLLOWING LICENSES/APPROVALS OF THE COMPANY ARE PENDING BEFORE THE GOVERNMENT AUTHORITIES:

Sr. No	Nature of Registration/ License	Registration/License No.	Applicable Law	Issuing Authority
1	Registration as Special Class (Civil) Contractors	COT/SP/688/2009	I&CAD dated 01-07-2003. Tender procedures and Registration of contractors Rules.	Officer of Engineer in Chief, (R&B) Admn. & NH Errummanzil, Hyderabad

LICENSES/APPROVALS EXPIRED

S. No.	Nature of Registration/ License	Registration/License No.	Applicable Laws	Issuing Authority	Date of issue	Date of Expiry
1.	Certificate of Registration under Value Added Tax	TIN No. 32151095 897 and CST No. 32151095 897	Kerala Value Added Tax, 2003 and Central Sales Tax, 1956	Commercial Tax Officer, Office of the Deputy Commissioner Commercial Taxes, Mattancherry	TIN (VAT December 01, 2015	March 31, 2016

Except as disclosed above, there are no pending or cancelled approvals / permissions / reports / licenses of the Company before any Government, Ministry and various other Government agencies / authorities.

OTHER REGULATORY AND STATUTORY DISCLOSURES**Authority for the Issue****Fresh Issue**

The Board of Directors, pursuant to a resolution passed at their meeting held on November 25, 2016 authorized the Issue, subject to the approval of the shareholders of our Company under Section 62(1) (c) of the Companies Act, 2013, and such other authorities as may be necessary. The shareholders of our Company have, pursuant to a special resolution passed under Section 62 (1) (c) of the Companies Act, 2013 at an Extra Ordinary General Meeting held on December 01, 2016 authorized the Issue.

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 November 25, 2016 and by shareholders of our Company at an Extra Ordinary General Meeting held on December 01, 2016. The Selling Shareholder Mr. Radhakrishna Garapati has also authorised the sale of their Equity Shares pursuant to the Offer through their Authorization letter dated November 23, 2016.

Our Company has obtained in-principle approval from the SME Platform of NSE for using its name in the Draft Prospectus/Prospectus pursuant to an approval letter dated [●] NSE is the Designated Stock Exchange.

Prohibition by SEBI or other Governmental Authorities

We confirm that there is no prohibition on our Company, Selling Shareholder our Promoter, our Promoter Group, our Directors, our Group Company or the natural person(s) in control of our Company from accessing or operating in the Capital Markets or restrained from buying, selling or dealing in securities under any order or direction passed by the Board (SEBI) or any other authorities.

The listing of any securities of our Company has never been refused by any of the Stock Exchanges in India.

Neither of our Promoter/ Selling Shareholder, Promoter Group, Directors or the person(s) in control of our Company, has ever been part of Promoter, Promoter Group, Directors or the person(s) in control of any other Company which is debarred from accessing the capital market under any order or directions made by the Board (SEBI) or any other regulatory or governmental authority.

Association with Securities Market

None of our Directors are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our Directors are associated as Promoter or directors.

Prohibition by RBI

Neither our Company, our Promoter/ Selling Shareholder, our Directors, Group Company, relatives (as per Companies Act, 2013) of Promoter or the person(s) in control of our Company have been identified as a will full defaulter by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter “*Outstanding Litigations and Material Development*” beginning on page 176 of the Draft Prospectus.

Eligibility for the Issue

Our Company is eligible in terms of Regulations 4(2) of SEBI ICDR Regulations for this Issue.

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations; and this Issue is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with Regulation 106(M) (2) and other provisions of Chapter XB of the SEBI (ICDR) Regulations, as we are an Issuer whose post issue paid up capital is more than ₹ 10 crore and upto ₹ 25.00 Crore and we may hence issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the "SME Platform of NSE").

We confirm that:

1. In accordance with Regulation 106(P) of the SEBI (ICDR) Regulations, this issue is 100% underwritten and that the LM to the Issue shall underwrite 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 44 of this Draft Prospectus.
2. In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within eight (8) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight (8) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act 2013.
3. In accordance with Regulation 106(O) of 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 Lead Manager and will enter into agreement with Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the SME Platform of NSE. For further details of the arrangement of market making please refer to section titled "General Information – Details of the Market Making Arrangements for this Issue" beginning on page 44 of this Draft Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter XB of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and sub-regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us in this Issue.

5. Our Company shall mandatorily facilitate trading in demat securities and will enter into an agreement with both the depositories. The Company has entered into an agreement for registration with the Central Depository Services Limited (CDSL) dated [●] and National Securities Depository Limited dated [●] for establishing connectivity
6. Our Company has a website i.e. www.rkecprojects.com
7. There has been no change in the promoter/s of the Company in the preceding one year from date of filing application to NSE for listing on SME segment.

We confirm that we comply with all the below requirements / conditions so as to be eligible to be listed on the SME Platform of the NSE (NSE EMERGE):-

1. Our Company was originally incorporated as RKEC Projects Private Limited on April 01, 2005 as private limited company under the Companies Act, 1956 with Registrar of Companies, Hyderabad. Further, pursuant to

Special resolution passed by the Shareholders, at the Extra Ordinary General Meeting held on October 31, 2016 Company was converted into Public Limited Company and consequently name of Company was changed to RKEC Projects Limited. A fresh certificate of incorporation pursuant to the change of name was issued by the Registrar of Companies, Hyderabad, on November 10, 2016.

2. The post issue paid up capital of the company will be 2,39,92,600 shares of face value of ₹ 10/- aggregating to ₹ 23.99 Crore which is less than ₹ 25 Crore.
3. The company confirms that it has track record of more than 3 years.
4. The company confirms that it has positive cash accruals (earnings before depreciation and tax) from operations for atleast 2 financial years preceding the application and its net-worth as on September 30, 2016 is positive.
5. Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
6. There is no winding up petition against our Company that has been admitted by the Court or a liquidator has not been appointed of competent Jurisdiction against the Company.
7. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company.
8. Our Company confirms that there is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of Promoter, Group Companies, companies promoted by the Promoter of the company.

Compliance with Part A of Schedule VIII of the SEBI (ICDR) Regulations

Our Company is in compliance with the provisions specified in Part A of the SEBI (ICDR) Regulations. No exemption from eligibility norms has been sought under Regulation 109 of the SEBI (ICDR) Regulations, with respect to the Issue. Further, our Company has not been formed by the conversion of a partnership firm into a company.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKER, HEM SECURITIES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MERCHANT BANKER, HEM SECURITIES LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED [●] WHICH READS AS FOLLOWS:

WE, THE UNDER NOTED LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE STATE AND CONFIRM AS FOLLOWS:

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT PROSPECTUS PERTAINING TO THE SAID ISSUE**
- 2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**
 - A. THE DRAFT PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
 - B. ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
 - C. THE DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**
- 3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT 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 DRAFT PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT PROSPECTUS. – NOTED FOR COMPLIANCE**
- 6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT PROSPECTUS.**
- 7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO**

ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – NOT APPLICABLE

8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.
9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE DRAFT PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION – NOTED FOR COMPLIANCE
10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. - NOT APPLICABLE AS INTERMS OF THE PROVISIONS OF SECTION 29 OF THE COMPANIES ACT, 2013 A PUBLIC OFFER SHALL BE IN DEMATERIALIZED FORM ONLY.
11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT PROSPECTUS:
 - A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND
 - B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE. – NOTED FOR COMPLIANCE
14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE

OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.

16. WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER BELOW (WHO ARE RESPONSIBLE FOR PRICING THIS ISSUE)', AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR NO. CIR/CFD/DIL/7/2015 DATED OCTOBER 30, 2015.
17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS-TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD-18 IN THE FINANCIAL INFORMATION OF THE COMPANY INCLUDED IN THE DRAFT PROSPECTUS.

ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE

1. WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE DRAFT PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.
2. WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN DRAFT PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN. - NOTED FOR COMPLIANCE
3. WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 - NOTED FOR COMPLIANCE.
4. WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALIZATION OF THE SPECIFIED SECURITIES OF THE ISSUER - NOTED FOR COMPLIANCE.
5. WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISIO TO SUB-REGULATION (4) OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009; CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE DRAFT PROSPECTUS. - NOT APPLICABLE
6. WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P AND 106V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE. - NOTED FOR COMPLIANCE

Note:

The filing of this Draft 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 Draft 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, Hyderabad in terms of sections 26, 32 and 33 of the Companies Act, 2013.

Statement on Price Information of Past Issues handled by Hem Securities Limited:

Sr. No.	Issue name	Issue size (Rs in Cr.)	Issue Price (Rs.)	Listing date	Opening Price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]-30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-180 th 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 known as "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% [0.64%]	44.61% [8.51%]	75.64% [9.58%]
4.	Advance Syntex Limited	2.52	12.00	July 12, 2016	13.25	0.00% [1.24%]	10.42% [-1.00%]	NA
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%]	NA	NA
7.	Pansari Developers Limited	10.1904	22.00	October 18, 2016	22.90	3.41% [-6.89%]	NA	NA
8.	Dhanuka Realty Limited	4.224	40.00	October 18, 2016	41.25	-8.13% [-6.89%]	NA	NA
9.	Globe international Carriers Limited	5.1696	24.00	October 19, 2016	24.95	0.00% [-6.75%]	NA	NA
10.	Art Nirman Limited	5.01	25.00	October 19, 2016	30.00	12.00% [-6.75%]	NA	NA

Source: Price Information www.bseindia.com & 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 th calendar days from listing			No. of IPOs trading at Premium- 30 th calendar days from listing			No. of IPOs trading at discount- 180 th calendar days from listing			No. of IPOs trading at Premium- 180 th 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 ⁽¹⁾	10.66	-	-	1	1	1	-	-	-	-	2	-	1

2014-15	7 ⁽²⁾	38.25	-	-	-	2	-	5	-	-	-	3	-	4
2015-16	8 ⁽³⁾	34.20	-	-	1	2	2	3	-	-	-	3	1	4
2016-17	8 ⁽⁴⁾	56.18	-	-	1	1	-	6	-	-	-	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 Advance Syntex Limited has not completed its 180 days from the listing date & Madhya Bharat Agro Products Limited has not completed its 90 days & 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 18th, 2016, October 18th, 2016, October 19th, 2016 and October 19th, 2016 respectively and has not completed 90th day from date of listing.

Note:

- Based on date of listing.
- BSE SENSEX and CNX NIFTY have been considered as the benchmark index.
- Prices on BSE/NSE are considered for all of the above calculations.
- In case 30th/90th/180th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered.
- In case 30th/90th/180th day, scrips are not traded then last trading price has been considered.
- N.A. – Period not completed.
- 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

Disclaimer from our Company and the Lead Manager

Our Company, Selling Shareholder, its Directors and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

The LM accept no responsibility, save to the limited extent as provided in the MOU entered between the LM (Hem securities Limited) and our Company on December 02, 2016 and the Underwriting Agreement dated [●] entered into between the Underwriters, Selling Shareholder and our Company and the Market Making Agreement dated [●] entered into among the Market Maker and our Company.

All information shall be made available by our Company, 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 Companies, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Companies, and our affiliates or associates, for which they have received and may in future receive compensation.

Note

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Issue.

Disclaimer in Respect of Jurisdiction

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹ 2,500.00 Lakhs and pension funds with a minimum corpus of ₹ 2,500.00 Lakhs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Draft Prospectus does not, however, constitute an offer to sell or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft 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 only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Disclaimer Clause of the SME Platform of NSE

As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter [●] permission to the Issuer to use the Exchange's name in this Offer Document as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on

the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its Promoter, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

Disclaimer Clause under Rule 144A of the U.S. Securities Act

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

Filing

The Draft Prospectus is being filed with National Stock Exchange of India Limited, Exchange Plaza, Plot No. C/1, G Block, Bandra- Kurla Complex, Bandra (East), Mumbai-400051, Maharashtra

A copy of this Draft Prospectus shall not be filed with the SEBI, nor will SEBI issue any observation on the Prospectus in term of Regulation 106(M) (3) of the SEBI (ICDR) Regulations. However, a copy of the Prospectus shall be filed with SEBI at SEBI Hyderabad Local office, 1st Floor, Indira Chambers, 8-2-622/5/A/1, Road No. 10, Avenue 4, Banjara Hills, Hyderabad-500 034 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, 2ND Floor, Corporate Bhawan, GSI Post, Tattianaram Nagole, Bandlaguda, Hyderabad-500 068.

Listing

The Equity Shares of our Company are proposed to be listed on NSE EMERGE. Our Company has obtained in-principle approval from NSE by way of its letter dated [●] for listing of equity shares on NSE EMERGE.

NSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by NSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Draft Prospectus. If such money is not repaid within the prescribed time then our Company becomes liable to repay it, then our Company and every officer in default shall, shall be liable to repay such application money, with interest, as prescribed under the applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of NSE mentioned above are taken within Six (6) Working Days of the Issue Closing Date. If Equity Shares are not Allotted pursuant to the Offer within Six (6) Working Days from the Issue Closing Date or within such timeline as prescribed by the SEBI, our Company shall repay with interest all

monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period. Subject to applicable law.

Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

Any person who-

- a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

Shall be liable to action under section 447 of the Companies, Act 2013

Consents

Consents in writing of (a) Our Directors, Our Promoter, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor, Our Peer Review Auditor, Our Banker to the Company*; (b) Lead Manager, Registrar to the Issue, Banker to the Issue*, Legal Advisor to the Issue, Underwriter to the Issue* and Market Maker to the Issue* to act in their respective capacities have been obtained as required as required under section 26 of the Companies Act, 2013 and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

**The aforesaid will be appointed prior to filing of the Prospectus with RoC and their consents as above would be obtained prior to the filing of the Prospectus with RoC.*

In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/s Rama Subba Rao & Co., Chartered Accountants, Statutory Auditor and M/s. Mansaka Ravi & Associates, Peer Review Auditors of the Company has agreed to provide their written consent to the inclusion of their respective reports on Statement of Possible Tax Benefits relating to the possible tax benefits and restated Standalone financial statements & restated Consolidate financial statements as included in this Draft Prospectus/Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this Draft Prospectus.

Experts Opinion

Except for the reports in the section “*Financial information of the Company*” and “*Statement of Tax Benefits*” on page 128 and page 72 of this Draft Prospectus from the Peer Review Auditors, our Company has not obtained any expert opinions. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act 1933.

Expenses of the Issue

The total expenses of the Issue are estimated to be approximately Rs. [●] Lakh, which is [●] of the Issue size. The estimated Issue related expenses include Issue Management Fee, underwriting and management fees SCSB’s commission/ Selling commission, fees, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees and listing fees. All expenses with respect to the Issue would be paid by our company. However, the issue related expenses will be shared between our company and the Selling Shareholder.

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 and other out of pocket expenses*	[●]	[●]	[●]
2.	Printing and Stationery and postage expenses, Advertising and Marketing expenses	[●]	[●]	[●]
3.	Advertising and Marketing expenses	[●]	[●]	[●]
4.	Regulatory fees and expenses	[●]	[●]	[●]
	Total estimated Issue Expenses	[●]	[●]	[●]

*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 December 02, 2016 with the Lead Manager Hem Securities Limited, (ii) the Underwriting Agreement dated [●] with Underwriter [●] and (iii) the Market Making Agreement dated [●] with Market Maker [●], a copy of which is available for inspection at our Registered Office from 10.00 am to 5.00 pm on Working Days from the date of the Draft Prospectus until the Issue Closing Date.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue for processing of applications, data entry, printing of CAN, tape and printing of bulk mailing register will be as per the agreement between our Company, Selling Shareholder and the Registrar to the Issue dated December 02, 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 send allotment advice by registered post/speed post.

Particulars regarding Public or Rights Issues during the last five (5) years

Our Company has not made any previous public or rights issue in India or Abroad the five (5) years preceding the date of this Draft 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 Draft Prospectus.

Underwriting Commission, brokerage and selling commission on Previous Issues

Since this is the initial public offering of our Company's Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

Particulars in regard to our Company and other listed group-companies / subsidiaries/ associates under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 / Section 186 of the Companies Act, 2013 which made any capital issue during the last three years:

Neither our Company nor any other companies under the same management within the meaning of Section 370(1B)

of the Companies Act, 1956 has made/Section 186 of the Companies Act, 2013, had made any public issue or rights issue during the last three years.

Performance vis-a-vis objects – Public/right issue of our Company and /or listed Group Companies/ subsidiaries and associates of our Company

Except as stated in the chapter titled “*Capital Structure*” beginning on page 51 of this Draft Prospectus our Company has not undertaken any previous public or rights issue. None of the Group Companies or associates of our Company are listed on any stock exchange.

Performance vis-a-vis objects - Last Issue of Group/Associate Companies

All of our Group / Associate body corporate are unlisted and have not made a public issue of shares.

Outstanding Debentures or Bond Issues or Redeemable Preference Shares

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this Draft Prospectus.

Outstanding Convertible Instruments

Our Company does not have any outstanding convertible instruments as on the date of filing this Draft Prospectus.

Option to Subscribe

Equity Shares being offered through the Draft Prospectus can be applied for in dematerialized form only.

Stock Market Data of the Equity Shares

This being an initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

Mechanism for Redressal of Investor Grievances

The agreement between the Registrar to the Issue and our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) years from the last date of dispatch of the letters of allotment and demat credit to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

We hereby confirm that there is no investor complaints received during the three years preceding the filing of Draft Prospectus. Since there is no investor complaints received, none are pending as on the date of filing of this Draft Prospectus.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, with a copy to the Compliance Officer and with a copy to the relevant Designated Intermediary with whom the Application Form was submitted and.

The Applicant should give full details such as name of the sole/ first Applicant, Application Form number, Applicant DP ID, Client ID, PAN, date of the Application Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Application Form was submitted by the Applicant. Further, the investor shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents or information mentioned herein above.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case

of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Ms. Swapna Bansode, 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. Swapna Bansode
RKEC Projects Limited
Door No. 10-12-1,
Rednam Alcazar, 3rd Floor,
Opp. SBI Main Branch,
Old Jail Road, Rednam Gardens,
Visakhapatnam, A.P.-530020, India
E-mail: cs@rkecprojects.com
Website: www.rkecprojects.com

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web based complaints redress system “SCORES”. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website www.scores.gov.in

Status of Investor Complaints

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Prospectus and hence there are no pending investor complaints as on the date of this Draft Prospectus.

Disposal of investor grievances by listed companies under the same management as our Company

We do not have any listed company under the same management.

Change in Auditors during the last three (3) years

Except for appointment of M/s. Mansaka Ravi & Associates, Chartered Accountants, as peer review auditor in addition to the existing auditors, there have been no changes in our Company’s auditors in the last three (3) years.

Capitalization of Reserves or Profits

Except as disclosed under section titled “*Capital Structure*” beginning on page 51 of this Draft Prospectus, our Company has not capitalized its reserves or profits at any time during the last five (5) years.

Revaluation of Assets

Our Company has not revalued its assets in five (5) years preceding the date of this Draft 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 72 of this Draft Prospectus.

Purchase of Property

Other than as disclosed in Section “*Our Business*” on page 81 of the Draft Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of the Draft Prospectus, other than property, in respect of which:-

The contract for the purchase or acquisition was entered into in the ordinary course of business, or the contract was entered into in contemplation of the Issue, or that the Issue was contemplated in consequence of the contract; or the amount of the purchase money is not material.

Except as stated elsewhere in the Draft Prospectus, our Company has not purchased any property in which the Promoter and/or Directors have any direct or indirect interest in any payment made there under.

Servicing Behavior

Except as stated in this Draft 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 107 and “*Annexure R – Related Party Transactions*” beginning on page 156 of the Draft Prospectus, none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

SECTION VII – ISSUE RELATED INFORMATION**TERMS OF THE ISSUE**

The Equity Shares being offered are subject to the provisions of the Companies Act, 2013, SCRR, 1957, SEBI (ICDR) Regulations, 2009, our Memorandum and Articles of Association, the terms of the Draft Prospectus, Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, the FIPB, the RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November, 10th 2015, all the applicants have to compulsorily apply through the ASBA Process.

Authority for the Issue

The present Public Issue of 63,80,000 Equity Shares includes a Fresh Issue of 46,80,000 Equity shares and an offer for sale by the Selling Shareholder of 17,00,000 equity shares which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on November 25, 2016 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra Ordinary General Meeting held on December 01, 2016 in accordance with the provisions of Section 62 (1) (c) of the Companies Act, 2013.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares of our Company including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment.

For further details, please refer to "Main Provisions of Articles of Association of the Company" on page 253 of the Draft Prospectus.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act. For further details, please refer to "Dividend Policy" on page 127 of the Draft Prospectus.

Face Value and Issue Price

The Equity Shares having a Face Value of ₹ 10.00 each are being offered in terms of the Draft Prospectus at the price of [●] per equity Share (including premium of [●] per 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 69 of the Draft Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

Compliance with the disclosure and accounting norms

Our Company shall comply with all requirements of the SEBI ICDR Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- Right of free transferability of the Equity Shares; and
- Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/ or consolidation/ splitting, etc., please refer to Section titled “Main Provisions of Articles of Association of the Company” beginning on page 253 of the Draft 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 [●] Equity Shares and the same may be modified by the SME platform of NSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Offer will be done in multiples of [●] Equity Shares and is subject to a minimum allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Further, in accordance with Regulation 106(Q) of the SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

Minimum Number of Allottees

The minimum number of allottees in the Issue shall be 50 shareholders. In case the number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked forthwith.

Joint Holders

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

Nomination Facility to Investor

In accordance with Section 72 of the Companies Act, 2013 the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person,

being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013 any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- 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 is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

Period of Operation of Subscription List of Public Issue

ISSUE OPENS ON	[•]
ISSUE CLOSES ON	[•]

Minimum Subscription

In accordance with Regulation 106 P (1) of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the offer through the Draft Prospectus and shall not be restricted to the minimum subscription level.

As per section 39 of the Companies Act 2013, if the “**stated minimum amount**” has not been subscribed and the sum payable on Application is not received within a period of 30 days from the date of issue of Prospectus, the application money has to be returned within such period as may be prescribed.

If the issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within 60 (sixty) days from the date of closure of the issue, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond 8 (eight) days after the issuer becomes liable to pay the amount, the issuer shall pay interest prescribed under Section 39 read with Rule 11 of Companies(Prospectus and Allotment of Securities) Rules, 2014 of the Companies Act, 2013 and other applicable laws, if any.

In accordance with Regulation [106R] of SEBI ICDR Regulations, The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked forthwith.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, in accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty)

Further, in accordance with Regulation 106 Q of the SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

Arrangements for disposal of odd lots

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Exchange.

Application by Eligible NRIs, FPIs or VCFs registered with SEBI

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

As per the extent Guidelines of the Government of India, OCBs cannot participate in this Issue.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

Restrictions on transfer and transmission of shares or debentures and on their consolidation or splitting

Except for lock-in of the Pre- Issue Equity Shares and Promoter minimum contribution in the Issue as detailed in the section titled “Capital Structure” beginning on page 51 of the Draft Prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfer and transmission of shares/ debentures and on their consolidation/ splitting except as provided in the Articles of Association. For further details please refer sub-heading "Main Provisions of the Articles of Association" on page 253 of the Draft Prospectus.

Option to receive Equity Shares in Dematerialized Form

As per section 29(1) of the new Companies Act 2013, every company making public offer shall issue securities only in dematerialized form only. The investors have an option either to receive the security certificate or to hold the securities with depository. However, as per SEBI's circular RMB (compendium) series circular no. 2 (1999-2000) dated February 16, 2000, it has been decided by the SEBI that trading in securities of companies making an initial public offer shall be in dematerialized form only. The Equity Shares on Allotment will be traded only on the dematerialized segment of the SME Exchange.

Migration to Main Board

In accordance with the NSE Circular dated March 10, 2014, our Company will have to be mandatorily listed and traded on the SME Platform of the NSE for a minimum period of 2 (Two) years from the date of listing and only after that it can migrate to the Main Board of the NSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter XB of the SEBI (ICDR) Regulations.

As per the provisions of the Chapter XB of the SEBI (ICDR) Regulation, 2009, our Company may migrate to the main board of NSE from the SME Exchange on a later date subject to the following:

- If the Paid up Capital of the Company is likely to increase above ₹ 25 Crore by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the Company has obtained in-principal approval from the main board), we shall have to apply to NSE for listing our shares on its main board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the main board or
- If the Paid-Up Capital of our Company is more than ₹ 10.00 Crore and up to ₹ 25.00 Crore, our company may still apply for migration to the Main Board. If our Company fulfils the eligibility criteria for listing laid down by the Main Board of NSE and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Market Making

The shares offered through this Issue are proposed to be listed on the SME platform of NSE, wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Exchange for a minimum period of 3 (three) years from the date of listing on the SME platform of NSE. For further details of the agreement entered into between the Company, the Lead Manager and the Market Maker please refer to "General Information - Details of the Market Making Arrangements for this Issue" on page 44 of the Draft 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.

New Financial Instruments

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Prospectus with the RoC publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in 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, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106(M) (2) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post issue paid up face value capital is more than ₹ 10 Crore and upto ₹ 25 Crore, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("**SME Exchange**", in this case being the SME Platform of NSE). For further details regarding the salient features and terms of such an issue please refer chapter titled "*Terms of the Issue*" and "*Issue Procedure*" on page 201 and 210 of the Draft Prospectus.

The Issue comprise of a Public Issue of 63,80,000 Equity Shares of Face Value of ₹ 10/- each fully paid (The "Equity Shares") for cash at a price of ₹ [●]/- per Equity Shares (*including a premium of ₹ [●]/- per equity share*) aggregating to ₹ [●] ("*the issue*") by our Company of which 3,20,000 Equity Shares of ₹ 10 each will be reserved for subscription by Market Maker Reservations Portion and a Net Issue to public of 60,60,000 Equity Shares of ₹ 10 each is hereinafter referred to as the net issue, comprising the Fresh Issue of 46,80,000 Equity Shares and the Offer for Sale 17,00,000 Equity Shares by Selling Shareholder. The Issue and the Net Issue will constitute 26.59% and 25.26% respectively of the post issue paid up Equity Share Capital of the Company.

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	60,60,000 Equity Shares	3,20,000 Equity Shares
Percentage of Issue Size available for allocation	94.98 % of the Issue Size	5.02 % of the Issue Size
Basis of Allotment	Proportionate subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares each. For further details please refer to " <i>Issue Procedure - Basis of Allotment</i> " on page 243 of this Draft Prospectus.	Firm Allotment
Mode of Application	All the applications shall make the application (Online or Physical) through ASBA Process Only	Through ASBA Process Only
Mode of Allotment	Compulsorily in dematerialized form.	Compulsorily in dematerialized form.
Minimum Application Size	<p><u>For Other than Retail Individual Investors:</u> Such number of Equity Shares in multiples of [●] Equity Shares at an Issue price of ₹ [●] each, such that the Application Value exceeds ₹ 2.00 Lakh.</p> <p><u>For Retail Individuals Investors:</u> [●] Equity Shares at an Issue price of ₹ [●] each</p>	3,20,000 Equity Shares
Maximum Application Size	<p><u>For Other than Retails Individual Investors:</u> 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><u>For Retail Individuals Investors:</u> Such number of Equity Shares in multiples of [●] Equity Shares such that</p>	3,20,000 Equity Shares

	the Application Value does not exceed ₹ 2,00,000/-.	
Trading Lot	<input type="checkbox"/> Equity Shares	<input type="checkbox"/> Equity Shares, However the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2009.
Application lot Size	<input type="checkbox"/> Equity Shares thereafter Equity Shares and in multiples of <input type="checkbox"/>	
Terms of Payment	Full Application Amount shall be blocked by the SCSBs in the bank account of the ASBA Applicant that is specified in the Application Form 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 207 of the Draft Prospectus.

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

- a) Minimum fifty percent to retail individual investors; and
- b) Remaining to
 - (i) Investors other than retail Individual Investors; and
 - (ii) other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
- c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

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

Withdrawal of the Issue

The Company and Selling Shareholder, 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 the Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, the Company will file a fresh Draft Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

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

Issue Programme

ISSUE OPENING DATE	<input type="checkbox"/>
ISSUE CLOSING DATE	<input type="checkbox"/>

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 Centers mentioned in the Application Form.

Standardization of cut-off time for uploading of applications on the issue closing date:

- a) A standard cut-off time of 3.00 p.m. for acceptance of applications.
- b) A standard cut-off time of 4.00 p.m. for uploading of applications received from other than retail individual applicants.
- c) A standard cut-off time of 5.00 p.m. for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by NSE after taking into account the total number of applications received up to the closure of timings and reported by LM to NSE within half an hour of such closure.

It is clarified that Bids not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical application form of that Bidder may be taken as the final data for the purpose of allotment.

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 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 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 Draft Prospectus.

PART A

Fixed Price Issue Procedure

The Issue is being made under Regulation 106(M) (2) of Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended 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 trade 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 color of the Application Form for various categories applying in this issue is as follows:

Category	Color
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 Draft 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.

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Draft Prospectus. 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 a 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:

For Applications submitted by Investors to SCSB:	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.
For applications submitted by investors to intermediaries other than SCSBs:	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 as mentioned in the Application Form. The application forms may also be downloaded from the website of NSE i.e. www.nseindia.com.

Who can apply?

In addition to the category of Applicants as set forth under “General Information Document for Investing in Public Issues-Category of Investors Eligible to participate in an Issue”, 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.

Applications not to be made by:

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

MAXIMUM AND MINIMUM APPLICATION SIZE**1. For Retail Individual Applicants**

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application 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 [●] 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 Draft Prospectus.

The above information is given for the benefit of the Applicants. The Company 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 Draft 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 made in 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.

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 SCSB's 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.

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.

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; (l) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.
2. Where a foreign institutional investor or a sub account, prior to commencement of 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 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 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 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 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 Draft 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 Draft Prospectus.

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 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 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. The Designated Intermediaries will enter each application option into the electronic collecting system as a separate application and generate a TRS and give the same to the applicant.

7. 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.
8. 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.
9. 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.
10. 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 [●] 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 Bakers, 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 in 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 Draft 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 Draft 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 3,20,000 Equity Shares shall be reserved for Market Maker and 60,60,000 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 has entered into an Underwriting Agreement dated [●].
- 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 Newspaper 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 Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations); Instruct your respective Banks to not 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 color 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 applications 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 and NSE i.e. 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 centers for collecting the application shall be disclosed is available on the websites of BSE i.e. www.bseindia.com and NSE i.e. 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 NSE 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.

Right to Reject Applications

In case of QIB Applicants, the Company in consultation with the LM may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

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 undertakes 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 Draft 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 will sign the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) Agreement dated [●] between NSDL, the Company and the Registrar to the Issue;
- b) Agreement dated [●] between CDSL, the Company and the Registrar to the Issue;

The Company's equity shares bear an ISIN No. [●]

PART B

GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Draft 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”) as amended.

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.

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 (2) 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 (2) of Chapter XB of SEBI (ICDR) Regulation:

- a) In accordance with Regulation 106(P) of SEBI (ICDR) Regulation, Issue has to be 100% underwritten and the 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) Our Company was originally incorporated as RKEC Projects Private Limited on April 01, 2005 as private limited company under the Companies Act, 1956 with Registrar of Companies, Andhra Pradesh, Hyderabad. Further, pursuant to Special resolution passed by the Shareholders, at the Extra Ordinary General Meeting held on October 31, 2016 Company was converted into Public Limited Company and consequently name of Company was changed to RKEC Projects Limited. A fresh certificate of incorporation pursuant to the change of name was issued by the Registrar of Companies, Hyderabad, on November 10, 2016.
- f) The post issue paid up capital of the company will be 2,39,92,600 shares of face value of ₹ 10/- aggregating to ₹ 23.99 Crore which is less than ₹ 25 Crore.
- g) The company confirms that it has track record of more than 3 years.
- h) The company confirms that it has positive cash accruals (earnings before depreciation and tax) from operations for atleast 2 financial years preceding the application and its net-worth as on March 31, 2016 is positive.
- i) The issuer shall mandatorily facilitate trading in demat securities
- j) The issuer should not been referred to Board for Industrial and Financial Reconstruction.
- k) No petition for winding up is admitted by a court of competent jurisdiction against the Issuer.
- 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 NSE for listing on SME segment.

Issuer shall also comply with all the other requirements as laid down for such an Issue under Chapter X-B of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106 (M) (3) of SEBI (ICDR) Regulation, 2009 the provisions of regulations 6(1), 6(2), 6(3) , Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to this Issue.

Thus the Company is eligible for the Issue in accordance with Regulation 106M(2) and other provision of Chapter XB of SEBI (ICDR) Regulations as the post –issue face value capital does not exceed ₹ 2,500 Lakh. Company also complies with the eligibility conditions laid by the SME Platform of NSE 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 Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), The Company shall apply to SE for listing of its shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

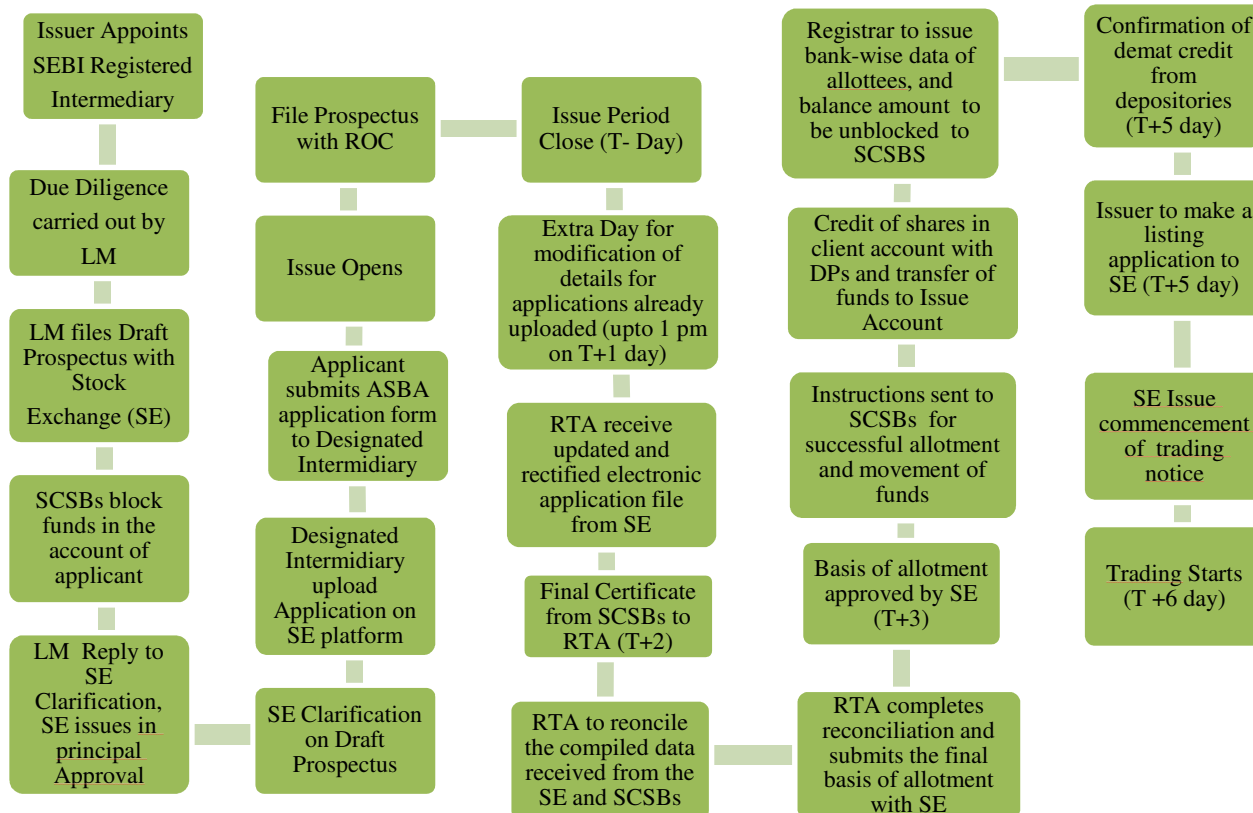
OR

- b) If the Paid up Capital of the company is more than 10 crores but below Rs. 25 crores, the Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at

least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

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 cum 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:

<p>COMMON BID CUM APPLICATION FORM</p> <p>TO, THE BOARD OF DIRECTORS XYZ LIMITED</p>	<p>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</p> <p>Address : _____ Contact Details: _____ CIN No _____</p>	<p>FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRI's APPLYING ON A NON-REPATRIATION BASIS</p> <p>Bid cum Application Form No. _____</p>																											
<p>LOGO</p>	<p>FIXED PRICE OME ISSUE</p> <p>INE0000000000</p>	<p>Bid cum Application Form No. _____</p>																											
<p>SYNDICATE MEMBER'S STAMP & CODE BROKER/SCSB/DP/RTA STAMP & CODE</p>		<p>1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER</p> <p>Mr./Ms. _____</p> <p>Address _____</p> <p>_____ Email _____</p> <p>Tel. No (with STD code) / Mobile _____</p>																											
<p>SUB-BROKER'S / SUB-AGENT'S STAMP & CODE ESCROW BANK/SCSB BRANCH STAMP & CODE</p>		<p>2. PAN OF SOLE / FIRST BIDDER</p> <p>_____</p>																											
<p>BANK BRANCH SERIAL NO. SCSB SERIAL NO.</p>																													
<p>3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL</p> <p>For NSDL, enter 8 digit DP ID followed by 8 digit Client ID / For CDSL, enter 16 digit Client ID</p>		<p>4. INVESTOR STATUS</p> <p><input type="checkbox"/> Individual(s) - IND</p> <p><input type="checkbox"/> Hindu Undivided Family* - HUF</p> <p><input type="checkbox"/> Bodies Corporate - CO</p> <p><input type="checkbox"/> Banks & Financial Institutions - FI</p> <p><input type="checkbox"/> Mutual Funds - MF</p> <p><input type="checkbox"/> Non-Resident Indians - NRI (Non-Repatriation basis)</p> <p><input type="checkbox"/> National Investment Fund - NIF</p> <p><input type="checkbox"/> Insurance Funds - IF</p> <p><input type="checkbox"/> Insurance Companies - IC</p> <p><input type="checkbox"/> Venture Capital Funds - VCF</p> <p><input type="checkbox"/> Alternative Investment Funds - AIF</p> <p><input type="checkbox"/> Others (Please specify) - OTH</p> <p><small>*HUF should apply only through Karva (Application by HUF would be treated as per with Individual)</small></p>																											
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<p>TEAR HERE</p>																													
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COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - NR Address : Contact Details: CIN No	For Eligible NRI, FI, FVC, 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	BROKER/SCSB/DP/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER													
		Mr. / Ms. _____													
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Option 1			<input type="checkbox"/>												
OR) Option 2		<input type="checkbox"/>													
OR) Option 3		<input type="checkbox"/>													
7. PAYMENT DETAILS		6. Investor Status													
Amount paid (₹ in figures) _____ (₹ in words) _____		<input type="checkbox"/> Non-Resident Indian (Repatriation Basis) NRI													
ASBA Bank A/c No. _____		<input type="checkbox"/> Foreign Institutional Investor FI													
Bank Name & Branch _____		<input type="checkbox"/> Foreign Venture Capital Investor FVO													
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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. An 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 as per 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 [●] equity shares. As the application price payable by the retail individual applicants cannot exceed ₹ 200000 they can make Application for only minimum Application size i.e. for [●] equity shares.

- ii. For Other Applicants (Non Institutional Applicants and QIBs):

The Application must be for a minimum of such number of equity shares such that the Application Amount exceeds ₹ 200000 and in multiples of [●] 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 Draft 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 as amended 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 as amended. 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, 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 SCSBs 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:

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 [●];
- Category not ticked;
- Multiple Applications as defined in this Draft 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 NSE.
- 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 NSE (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 [●] Equity Shares the allotment will be made as follows:
 - i. Each successful applicant shall be allotted [●] Equity Shares;
 - ii. The successful applicants out of the total applicants for that category shall be determined by the drawal 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 [●] Equity Shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of [●] Equity Shares subject to a minimum allotment of [●] 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 [●] 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 the 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 NSE.

The Executive Director/ Managing Director of the SME Platform of NSE, 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 and 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 6 working 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

Term	Description
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	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 Closing 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 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 Draft Prospectus, whether applying through the ASBA or otherwise.
Applicant	Any prospective investor (including an ASBA Applicant) who makes an 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
Book Built Process/ Book Building Process/ Book Building Method	The book building process as provided under SEBI ICDR Regulations, 2009,
Broker Centers	Broker Centers notified by the Stock Exchanges, where Applicants can submit the Application Form to a Registered Broker. The details of such broker centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges.

Term	Description
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 http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries .
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. www.nseindia.com
Designated RTA Locations	Such locations of the RTAs where Applicant can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. www.nseindia.com
Designated 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 Draft 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.

Term	Description
Draft Prospectus	This Draft Prospectus filed with Stock Exchange 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 Promoter 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
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 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

Term	Description
NRO Account	Non-Resident Ordinary Account
Net Issue	The Issue less reservation portion
Non-Institutional Investors or NIIs	All Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Applied for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the 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
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 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

Term	Description
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 ₹ 200,000.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than ₹ 200,000.
Retail Category	The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum bid lot, subject to availability in RII category and the remaining shares to be allotted on proportionate basis.
Revision Form	The form used by the Applicant in an issue to modify the quantity of Equity Shares 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 http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
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, the FDI Policy (as defined below) and FEMA. The government bodies responsible for granting foreign investment approvals are FIPB and the RBI.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”), issued consolidated FDI Policy, which with effect from June 07, 2016 consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on June 7, 2016. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, the Consolidation FDI Policy will be valid until the DIPP issues an updated circular.

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, LM and the Issue Management Team are not making any selling efforts in any jurisdiction outside India.

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 Draft 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. “The Act” 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.	The Act
	ii. “Articles” means Articles of Association of the Company as originally framed or altered from time to time	Articles
	iii. “Beneficial Owner” shall have the meaning assigned thereto by Section 2(1) (a) of the Depositories Act, 1996.	Beneficial Owner
	iv. “Board or Board of Director” means the Collective body of the Board of Directors of the Company.	Board or Board of Directors
	v. “Chairman” means the Chairman of the Board of the Directors of the Company.	Chairman
	vi. “The Company” means RKEC Projects Limited	The Company
	vii. “Depositories Act, 1996” shall mean Depositories Act, 1996 and include any Statutory modification or re-enactment thereof for the time being in force.	Depositories Act,1996
	viii. “Depository” shall have the meaning assigned thereto by Section 2 (1) (e) of the Depositories Act, 1996.	Depository
	ix. “Directors” mean the Directors for the time being of the Company.	Directors
	x. “Dividend” includes any interim dividend	Dividend
	xi. “Document” means a document as defined in Section 2 (36) of the Companies Act, 2013.	Document
	xii. “Equity Share Capital” , with reference to any Company limited by shares, means all share capital which is not preference share capital	Equity Share Capital
	xiii. “KMP” means Key Managerial Personnel of the Company provided as per the relevant sections of the Act.	KMP
	xiv. “Managing Director” means a Director who by virtue or an agreement with the Company or of a resolution passed by the Company in general meeting or by its Board of Directors or by virtue of its Memorandum or Articles of Association is entrusted with substantial powers of management and includes a director occupying the position of managing director, by whatever name called.	Managing Director
	xv. “Month” means Calendar month	Month
	xvi. “Office” means the registered office for the time being of the Company.	Office
	xvii. “Paid-up share capital” or “share capital paid-up” means such aggregate amount of money credited as paid-up as is equivalent to the amount received as paid up in respect of shares issued and also includes any amount credited as paid-up in respect of shares of the company, but does not include any other amount received in respect of such shares, by whatever name called	Paid-up share Capital
	xviii. “Postal Ballot” means voting by post or through any electronic mode	Postal Ballot
	xix. “Proxy” includes attorney duly constituted under the power of attorney to vote for a member at a General Meeting of the Company on poll.	Proxy
	xx. “Public Holiday” means a Public Holiday within the meaning of the Negotiable Instruments Act, 1881 (XXVI of 1881); provided that no day	Public Holiday

	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. “Registrar” means the Registrar of Companies of the state in which the Registered Office of the Company is for the time being situated and includes an Additional Registrar a Joint Registrar, a Deputy Registrar or an Assistant Registrar having the duty of registering companies and discharging various functions under this Act.	Registrar
	xxii. “Rules” means the applicable rules as prescribed under the relevant sections of the Act for time being in force	Rules
	xxiii. “SEBI” means Securities & Exchange Board of India established under Section 3 of the Securities & Exchange Board of India Act, 1992.	SEBI
	xxiv. “Securities” means the securities as defined in clause (h) of Section 2 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956)	Securities
	xxv. “Share” means share in the Share Capital of the Company and includes stock except where a distinction between stock and share is expressed or implied.	Share
	xxvi. “Seal” means the common seal of the Company.	Seal
	xxvii. “Preference Share Capital” , with reference to any Company limited by shares, means that part of the issued share capital of the Company which carries or would carry a preferential right with respect to— (a) payment of dividend, either as a fixed amount or an amount calculated at a fixed rate, which may either be free of or subject to income-tax; and (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;	Preference Share Capital
	Words imparting the plural number also include, where the context requires or admits, the singular number, and vice versa. Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the Company. ‘In writing’ and ‘written’ includes printing, lithography and other modes of representing or reproducing words in a visible form.	
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.	Share Capital
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, the Company may issue Sweat Equity Shares on such terms and in such manner as the Board may determine.	Issue of Sweat Equity Shares
5.	The Company shall have powers to issue any debentures, debenture-stock or other	Issue of

	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.	Debentures
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 15 days of 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>	Issue of Share Certificates
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 recognized by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.	
9.	The provisions of these Articles relating to issue of Certificates shall mutatis mutandis apply to any other securities including Debentures (except where the Act otherwise requires) of the Company.	
10.	<p>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</p>	Power to pay Commission in connection with the

	<p>and rules made thereunder.</p> <p>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.</p> <p>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.</p>	Securities issued
11.	<p>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.</p> <p>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.</p>	Variations of Shareholder's rights
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	Issue of Preference Shares
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> <p>(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.</p> <p>(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.</p> <p>(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.</p> <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> <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>	Further Issue of shares

<p>15.</p>	<p>i. The Company shall have a first and paramount lien—</p> <ul style="list-style-type: none"> a. on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and or b. on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the Company. c. Every fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer’s lien shall be restricted to moneys called or payable at fixed time in respect of such shares; and <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>	
<p>16.</p>	<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> <ul style="list-style-type: none"> a. unless a sum in respect of which the lien exists is presently payable; or b. until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency. 	<p>Lien</p>
<p>17.</p>	<ul style="list-style-type: none"> i. To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof. ii. The purchaser shall be registered as the holder of the shares comprised in any such transfer. iii. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale. 	
<p>18.</p>	<ul style="list-style-type: none"> i. The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. ii. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale. 	
<p>19.</p>	<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> <ul style="list-style-type: none"> a) The Company shall at its discretion, be entitled to decline to register more than three persons as the joint-holders of any share. b) The joint-holders of any shares shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share. c) On the death of any such joint-holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person. 	<p>Joint Holdings</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>	
<p>20.</p>	<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>	<p>Calls on shares</p>
<p>21.</p>	<p>A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.</p>	
<p>22.</p>	<p>The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.</p>	
<p>23.</p>	<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>	

	ii. The Board shall be at liberty to waive payment of any such interest wholly or in part.	
24.	<p>i. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.</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.	The Board may at its discretion, extend the time fixed for the payment of any call in respect of any one or more members as the Board may deem appropriate in any circumstances.	
28.	The provisions of these Articles relating to call on shares shall mutatis mutandis apply to any other securities including debentures of the company.	
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>	Transfer of shares
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 recognize 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.	<p>The Company agrees that in respect of transfer of shares where the Company has not effected transfer of shares within 1 month or where the Company has failed to communicate to the transferee any valid objection to the transfer within the stipulated time period of 1 month, the Company shall compensate the aggrieved party for the opportunity losses caused during the period of the delay.</p>	
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.	<p>The provisions of these Articles relating to transfer of Shares shall mutatis mutandis apply to any other securities including debentures of the company.</p>	
36.	<p>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.</p>	Register of Transfers
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</p>	Dematerialisation of Securities

	<p>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 intimate such depository the details of allotment of the Security</p> <p style="padding-left: 40px;">c. Securities in Depository to be in fungible form:-</p> <ul style="list-style-type: none"> • All Securities of the Company held by the Depository shall be dematerialised and be in fungible form. • Nothing contained in Sections 88, 89, 112 & 186 of the Companies Act, 2013 shall apply to a Depository in respect of the Securities of the Company held by it on behalf of the beneficial owners. <p style="padding-left: 40px;">d. Rights of Depositories & Beneficial Owners:- Notwithstanding anything to the contrary contained in the Act a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of Security of the Company on behalf of the beneficial owner.</p> <p style="padding-left: 40px;">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 style="padding-left: 40px;">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</p>	
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	<p>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.	<p>i. On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares.</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>	Transmission of shares
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 style="margin-left: 40px;">a. to be registered himself as holder of the share; or</p> <p style="margin-left: 40px;">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.	If a member fails to pay any call, or instalment of a call, on the day appointed for	Forfeiture of

	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.	shares
44.	The notice aforesaid shall— <ul style="list-style-type: none"> i. name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and ii. state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited. 	
45.	If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.	
46.	<ul style="list-style-type: none"> i. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit. ii. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit. 	
47.	<ul style="list-style-type: none"> i. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares. ii. The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares. 	
48.	<ul style="list-style-type: none"> i. A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share; ii. The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute transfer of the shares in favour of the person to whom the share is sold or disposed off; iii. The transferee shall thereupon be registered as the holder of the share; and iv. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share. 	
49.	The forfeiture of a share shall involve extinction at the time of forfeiture, of all 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 respect of any shares nor any part payment or satisfaction there under nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from proceeding to enforce forfeiture of such shares as hereinafter provided.	Initial payment not to preclude forfeiture
56.	The Company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.	
57.	Subject to the provisions of section 61, the Company may, by ordinary resolution,— <ul style="list-style-type: none"> i. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; ii. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination; iii. sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum; iv. Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person. 	Alteration of capital
58.	Where shares are converted into stock,— <ul style="list-style-type: none"> i. the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit: Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose. ii. the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage. 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. 	Conversion of Shares into Stock
59.	The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,— <ul style="list-style-type: none"> i. its share capital; ii. any capital redemption reserve account; or 	Reduction of Capital

	<p>iii. Any share premium account.</p>	
60.	<p>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.</p> <p>The bearer of a share warrant may at any time, deposit the warrant in the office of the Company and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending and voting and exercising the other privileges of a member at any meeting held after the expiry of two days from the time of deposit, as if his name were inserted in the register of members as the holder of the shares including in the deposited warrants.</p> <p>Not more than one person shall be recognized as depositor of the share warrant. The Company shall, on two days written notice, return the deposited share warrants to the depositor.</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>	<p>Share Warrants</p>
61.	<p>i. The Company in general meeting may, upon the recommendation of the Board, resolve—</p> <ol style="list-style-type: none"> 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 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. <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"> a. paying up any amounts for the time being unpaid on any shares held by such members respectively; b. paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up bonus shares, to and amongst such members in the proportions aforesaid; c. partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b); d. A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares; e. The Board shall give effect to the resolution passed by the Company in pursuance of this -regulation. <p>iii. Allotment or Distribution of Bonus Shares shall not be made to those</p>	<p>Capitalisation of profits</p>

	Members who furnish to the Company in written intimation waiving their entitlement to receive such allotment or distribution of shares credited as fully paid up pursuant to this Article 61 as the case may be, and accordingly the corresponding amount shall not be capitalized.	
62.	<p>i. Whenever such a resolution as aforesaid shall have been passed, the Board shall—</p> <p>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</p> <p>b. generally to do all acts and things required to give effect thereto.</p> <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.	Buy-back of shares
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>	General Meeting
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>	Proceedings at general meetings

	<ul style="list-style-type: none"> 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; b) thirty members personally present if the number of members as on the date of the meeting exceeds five thousand; 	
67.	The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the Company.	
68.	If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.	
69.	If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.	
70.	The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.	
71.	A declaration by the Chairman in pursuance of Section 107 of the Companies Act, 2013 that on a show of hands, a resolution has or has not been carried, either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.	
72.	<ul style="list-style-type: none"> 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. ii. The demand for a poll may be withdrawn at any time by the person or persons who made the demand. 	Demand for poll
73.	<ul style="list-style-type: none"> i. A poll demanded on a question of adjournment shall be taken forthwith. 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. 	Time of taking poll
74.	<ul style="list-style-type: none"> i. The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place. ii. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. iii. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. iv. Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting. 	Adjournment of meeting
75.	<p>Subject to any rights or restrictions for the time being attached to any class or classes of shares,—</p> <ul style="list-style-type: none"> i. on a show of hands, every member present in person shall have one vote; and ii. on a poll, the voting rights of members shall be in proportion to his share 	Voting rights

	in the paid-up equity share capital of the Company.	
76.	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.	
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.	Casting Vote
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.	Representation of Body Corporate
86.	The Company shall comply with provisions of Section 111 of the Companies Act, 2013, relating to circulation of member's resolution.	Circulation of member's resolution
87.	The Company shall comply with provisions of Section 115 of the Act relating to resolution requiring special notice.	Resolution requiring special notice
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.	Resolutions passed at adjourned meeting

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.	Registration of resolutions and agreements
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> <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. in 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>	Minutes of proceedings of general meeting and of Board and other meetings
91.	The minutes of meetings kept in accordance with the provisions of Section 118 of the Companies Act, 2013 shall be evidence of the proceedings recorded therein.	Minutes to be considered to be evidence
92.	No document purporting to be a report of the proceedings of any general meeting of the Company shall be circulated or advertised at the expenses of the Company unless it includes the matters required by Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting.	Publication of reports of proceeding of general meetings
93.	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before	Proxy

	the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.	
94.	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	
95.	<p>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:</p> <p>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.</p>	Board of Directors
96.	<p>The first directors of the Company shall be:</p> <ol style="list-style-type: none"> 1. Mr. Garapati Radhakrishna 2. Mrs. Garapati Parvathi Devi 	
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"> i. The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day. ii. In addition to the remuneration payable to them in pursuance of the Act, the directors -may be paid all travelling, hotel and other expenses properly incurred by them— <ol style="list-style-type: none"> a. in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or b. in connection with the business of the company 	
100.	The Board may pay all expenses incurred in getting up and registering the company.	
101.	The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may thinks fit respecting the keeping of any such register.	
102.	All cheques, promissory notes, drafts, hundis, bills of exchange and other	

	negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.	
103.	Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.	
104.	<p>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.</p> <p>ii. Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.</p>	
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.	Retirement and Rotation of Directors
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-whole time (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.	
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 moneys remain owing by the Company to the Corporation or so long as the Corporation holds Shares or Debentures in the Company as a result of direct subscription or private placement or the liability of the Company arising out of any Guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately, if the moneys owing by the Company to the Corporation is paid off or on the Corporation ceasing to hold debentures/shares in the Company or on the satisfaction of the liability of the Company arising out of any Guarantee furnished by the Corporation.	
114.	The Nominee Directors appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and/or the Meetings of the Committee of which the Nominee Director/s is/are members as also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes. The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled, but if any other fees, commission monies or remuneration in any form is payable to the Directors of the Company, the fees, commission, monies and remuneration in relation to such Nominee Directors shall accrue to the Corporation and same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or by such Nominee Directors in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Directors. Provided that if any such Nominee Directors is an Officer of the Corporation/IDBI, the sitting fees in relation to such Nominee Directors shall also accrue to the Corporation/IDBI as the case may be and the same shall accordingly be paid by the Company directly to the Corporation.	
115.	Provided also that in the event of the Nominee Directors being appointed as Whole time Directors such Nominee Directors shall exercise such powers and duties as may be approved by the Lenders. Such Nominee Director/s shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Lenders.	
116.	The Company may (subject to the provisions of Act and other applicable provisions and these Articles) remove any Director before the expiry of his period of office after giving him a reasonable opportunity of being heard.	
117.	Special notice as provided in the Act shall be given of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the meeting at which he is removed.	
118.	On receipt of the notice of a resolution to remove a Director under this Article, the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a member of the Company) shall be entitled to be heard on the resolution at the meeting.	Removal of Directors
119.	Where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company and requests its notification to members of the Company, the Company shall, if the time permits it to do so-, (a) in any notice of the resolution given to members of the Company state the fact of the representations having been made, and (b) send a copy of the representations to every member of the Company to whom the notice of the meeting is sent (whether before or after the receipt of representation by the Company) and if a copy of the representation is not sent as aforesaid due to insufficient time or for the company's default, the director may without prejudice to his right to be	

	<p>heard orally require that the representation shall be read out at the meeting:</p> <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.	A vacancy created by the removal of a director under this article, if he had been appointed by the company in general meeting or by the Board, be filled by the appointment of another director in his place at the meeting at which he is removed, provided special notice of the intended appointment has been given as prescribed in the Act.	
121.	A director so appointed shall hold office till the date up to which his predecessor would have held office if he had not been removed.	
122.	<p>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:</p> <p>Provided that the director who was removed from office shall not be reappointed as a director by the Board of Directors.</p>	
123.	<p>Nothing in this section shall be taken-</p> <p>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</p> <p>b) as derogating from any power to remove a director under other provisions of this Act.</p>	
124.	<p>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.</p> <p>In addition to the remuneration payable to the Directors as above, they may be paid all travelling, hotel and other expenses incurred by them.</p> <p>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</p> <p>b. In connection with the business of the Company.</p>	<p>Remuneration and sitting fees to Directors including Managing and whole time Directors</p>
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.	<p>Powers and duties of Directors:</p>

	<p>a. The power to make calls on shareholders in respect of money unpaid on their shares;</p> <p>b. The Power to authorize buy-back of securities under Section 68 of the Act.</p> <p>c. Power to issue securities, including debenture, whether in or outside India</p> <p>d. The power to borrow moneys</p> <p>e. The power to invest the funds of the Company,</p> <p>f. Power to Grant loans or give guarantee or provide security in respect of loans</p> <p>g. Power to approve financial statements and the Board's Report</p> <p>h. Power to diversify the business of the Company</p> <p>i. Power to approve amalgamation, merger or reconstruction</p> <p>j. Power to take over a Company or acquire a controlling or substantial stake in another Company</p> <p>k. Powers to make political contributions;</p> <p>l. Powers to appoint or remove key managerial personnel (KMP);</p> <p>m. Powers to take note of appointment(s) or removal(s) of one level below the Key Management Personnel;</p> <p>n. Powers to appoint internal auditors and secretarial auditor;</p> <p>o. Powers to take note of the disclosure of director's interest and shareholding;</p> <p>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;</p> <p>q. Powers to invite or accept or renew public deposits and related matters;</p> <p>r. Powers to review or change the terms and conditions of public deposit;</p> <p>s. Powers to approve quarterly, half yearly and annual financial statements or financial results as the case may be.</p> <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> <p>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.</p> <p>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.</p> <p>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.</p> <p>v. Nothing in this Article shall be deemed to affect the right of the Company in</p>	<p>Certain powers to be exercised by the Board only at meeting.</p>
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	<p>general meeting to impose restrictions and conditions on the exercise by the Board of any of the powers referred to in this Article.</p>	
127.	<p>i. The Board of Directors of the Company shall not except with the consent of the Company in general meeting :</p> <ul style="list-style-type: none"> 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; b) remit, or give time for the repayment of any debt, due by a Director; c) invest, otherwise than in trust securities, the amount of compensation received by it as a result of any merger or amalgamation; d) borrow moneys, where the money to be borrowed, together with the moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose; or e) contribute to <i>bona fide</i> charitable and other funds, aggregate of which ill in any financial year, exceed five percent of its average net profits during the three financial years, immediately proceedings. <p>ii. Nothing contained in sub-clause (a) above shall affect:</p> <ul style="list-style-type: none"> a) the title of a buyer or other person who buys or takes a lease of any such undertaking as is referred to in that sub-clause in good faith and after exercising due care and caution, or b) the selling or leasing of any property of the Company where the ordinary business of the Company consists of, or comprises such selling or leasing. <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 authorize 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>	<p>Restriction on powers of Board</p>
128.	<p>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.</p>	
129.	<p>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 authorized 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</p>	<p>General powers of the Company vested in Directors</p>

	<p>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.</p>	
<p>130.</p>	<p>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:</p> <ul style="list-style-type: none"> i. to pay and charge to the capital account of the Company and interest lawfully payable thereon under the provisions of Sections 76 corresponding to Section 40 of the Companies Act, 2013; ii. to purchase or otherwise acquire any lands, buildings, machinery, premises, hereditaments, property effects, assets, rights, credits, royalties, bounties and goodwill of any person, firm or Company carrying on the business which this Company is authorised to carry on, at or for such price or consideration and generally on such terms and conditions as they may think fit; and in any such purchase or acquisition to accept such title as the Board may believe or may be advised to be reasonable satisfactory; iii. to purchase, or take on lease for any term or terms of years, or otherwise acquire any mills or factories or any land or lands, with or without buildings and outhouses thereon, situate in any part of India, at such price or rent and under and subject to such terms and conditions as the Directors may think fit; and in any such purchase, lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory; iv. to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures, debenture stock or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures, debenture stock or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged; v. To erect, construct, enlarge, improve, alter, maintain, pull down rebuilt or reconstruct any buildings, factories, offices, workshops or other structures, necessary or convenient for the purposes of the Company and to acquire lands for the purposes of the Company; vi. To let, mortgage, charge, sell or otherwise dispose of subject to the provisions of Section 180 of the Companies Act, 2013 any property of the Company either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as they think fit and to accept payment or satisfaction for the same in cash or otherwise, as they may think fit; vii. To insure and keep insured against loss or damage by fire or otherwise, 	<p>Specific powers given to Directors</p>

	<p>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;</p> <p>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;</p> <p>ix. To secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the properties of the Company and its unpaid capital for the time being or in such other manner as they may think fit;</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,</p>	
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	<p>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 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</p>	
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	<p>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>	
131.	<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 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 & 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>	<p>MANAGING DIRECTORS</p> <p>Power to appoint Managing or Whole-time Directors</p>
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>	
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.	Proceedings of the Board
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</p>	

	meeting, the directors present may choose one of their number to be Chairperson of the meeting.	
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>	Delegation of Powers of Board to Committee
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 votes, the Chairperson shall have a second or casting vote.</p>	
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,— <p>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;</p> <p>b) A director may be appointed as chief executive officer, manager, Company secretary or chief financial officer.</p>	
144.	A provision of the Act or these regulations requiring or authorizing 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.	<p>a) The Board shall provide for the safe custody of the seal.</p> <p>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 authorized 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.</p>	The Seal
146.	The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.	Dividends and Reserve
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.	<p>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 equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, thinks fit.</p> <p>b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</p>	
149.	<p>a) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.</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</p>	

	Fund established under section 125 of the Act.	
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 or authorized by the Board or by the Company in general meeting.</p>	Accounts
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> <p style="padding-left: 20px;">i. be kept at the registered office of the Company, and</p> <p style="padding-left: 20px;">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.</p> <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>	Inspection of Statutory Documents of the Company
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> <p style="padding-left: 20px;">a. by any member or creditor without any payment of fees; or</p> <p style="padding-left: 20px;">b. by any other person on payment of such fees as may be prescribed,</p> <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>	Register of charges
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</p>	Audit

	<p>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>	
162.	<p>Subject to the provisions of Chapter XX of the Act and rules made there under—</p> <p>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.</p> <p>ii. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.</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>	Winding up
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>	Indemnity
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>	Secrecy

SECTION IX – OTHER INFORMATION**MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The following contracts (not being contracts entered into in the ordinary course of business carried on by the Company or entered into more than two years before the date of the Draft Prospectus) which are or may be deemed material have been entered or to be entered into by the Company which are or may be deemed material will be attached to the copy of the Prospectus, delivered to the Registrar of Companies, for registration. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of this Draft Prospectus until the Issue Closing Date.

Material Contracts

1. Memorandum of Understanding dated December 02, 2016 between our Company, Selling Shareholder and Hem Securities Limited as Lead Manager to the Issue.
2. Memorandum of Understanding dated December 02, 2016 executed between our Company, Selling Shareholder and the Registrar to the Issue (Bigshare Services Pvt. Ltd.)
3. Market Making Agreement dated [●] between our Company, Lead Manager and Market Maker.
4. Banker to the Issue Agreement dated [●] among our Company, Lead Manager, Banker to the Issue, Selling Shareholder and the Registrar to the Issue.
5. Underwriting Agreement dated [●] between our Company, Selling Shareholder, Lead Manager and Underwriter.
6. Share Escrow Agreement dated [●] between our Company, Selling Shareholder, the LM and Underwriter.
7. Tripartite Agreement dated [●] among CDSL, the Company and the Registrar to the Issue.
8. Tripartite Agreement dated [●] among NDSL, the Company and the Registrar to the Issue.

Material Documents

1. Certified copies of the Memorandum and Articles of Association of the Company as amended.
2. Certificate of Incorporation dated April 01, 2005 issued by the Registrar of Companies, Hyderabad.
3. Fresh Certificate of Incorporation dated November 10, 2016 issued by the Registrar of Companies, Hyderabad consequent upon Conversion of the Company to Public Company.
4. Copy of the Board Resolution dated November 25, 2016 authorizing the Issue and other related matters.
5. Copy of Shareholder's Resolution dated December 01, 2016 authorizing the Issue and other related matters.
6. Copies of the Authority letter provided by the Selling Shareholder.
7. Copies of Audited Financial Statements of our Company for the period ended September 2016 and years ended March 31, 2016, 2015, 2014, 2013 & 2012.
8. Peer Review Auditors Report dated December 10, 2016 on Restated Financial Statements of our Company for the period ended September, 2016 and years ended March 31, 2016, 2015, 2014, 2013 & 2012.
9. Copy of the Statement of Tax Benefits dated November 22, 2016 from the Statutory Auditor.
10. Consents of the Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Market Maker, Underwriter, Banker to the Issue, Statutory Auditor of the Company, Peer Review Auditor, Promoter 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.
11. Copy of Certificate from the Peer Review Auditors of our Company, M/s Mansaka Ravi & Associates, Chartered Accountants, dated December 10, 2016 regarding the Eligibility of the Issue.
12. Board Resolution dated December 16, 2016 for approval of Draft Prospectus, dated [●] for approval of Prospectus
13. Due Diligence Certificate from Lead Manager dated December 16, 2016 filed with NSE and dated [●] filed with SEBI.
14. Approval from NSE vide letter dated [●] to use the name of NSE in the Prospectus for listing of Equity Shares on the SME Platform of the NSE.

Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

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 Draft Prospectus. No statement made in the Draft 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 Draft Prospectus are true and correct.

SIGNED BY THE SELLING SHAREHOLDER:

Mr. Radhakrishna Garapati	Sd/-
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Place: - Visakhapatnam**Date:** December 16, 2016

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 Draft Prospectus. No statement made in the Draft 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 Draft Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY:

Sd/-

Mr. Radhakrishna Garapati*Chairman and Managing Director**DIN: 00073080*

Sd/-

Mrs. Parvathi Devi Garapati*Whole Time Director**DIN: 00094961*

Sd/-

Mr. Lucas Peter Thalakala*Non Executive Independent Director**DIN: 07664071*

Sd/-

Mr. Satish Soni*Non Executive Independent Director**DIN: 07664074*

Sd/-

Mr. Peruvemba Ramachandran Kumar*Non Executive Independent Director**DIN: 07352541*

Sd/-

Mrs. Sita Ratnam Gudapati*Non Executive Director**DIN: 07344104*

Signed by the Company Secretary & Chief Financial Officer of our Company

Sd/-

Mr. G V Satyanarayana

Chief Financial Officer

Sd/-

Mr. Swapna Bansode

Company Secretary and Compliance Officer

Place: Visakhapatnam**Date:** December 16, 2016