Draft Prospectus
Dated: June 6, 2016
Please read section 32 of the Companies Act, 2013
Fixed Price Issue

ZEAL AQUA LIMITED

Our Company was incorporated as "Zeal Aqua Private Limited" at Surat under the provision of the Companies Act, 1956 vide certificate of incorporation dated March 6, 2009 issued by the Assistant Registrar of Companies, Gujarat, Dadra and Nager Haveli. Consequent upon the conversion of our Company to public limited company, the name of our Company was changed to "Zeal Aqua Limited" and fresh certificate of incorporation dated March 31, 2015 was issued by the Assistant Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U05004GJ2009PLC056270.

Registered office: Plot No 4-5, GIDC, Olpad, Dist. Surat, Gujarat - 394540 Tel:- +02621-220540;
Fax: 02621-220540; **Website:** www.zealaqua.com
Contact Person: Company Secretary and Compliance Officer: Ms. Javanika Gandharva**; E-Mail:** ipo@zealaqua.com

PROMOTERS OF THE COMPANY: Mr. SHANTILAL PATEL AND Mr. PRADEEP NAVIK

PUBLIC ISSUE OF 11,35,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH OF ZEAL AQUA LIMITED ("ZAL" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ 130 PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ 120 PER EQUITY SHARE (THE "ISSUE PRICE") AGGREGATING TO ₹ 1475.50 LACS ("THE ISSUE"), OF WHICH 79,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AT A PRICE OF ₹ 130 PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ 120 PER EQUITY SHARE AGGREGATING TO ₹ 102.70 LACS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION i.e. NET ISSUE OF 10,56,000 EQUITY SHARES OF FACE VALUE OF ₹. 10 EACH AT A PRICE OF ₹ 130 PER EQUITY SHARE AGGREGATING TO ₹ 1372.80 LACS IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 27.01% AND 25.13%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THIS ISSUE IS BEING IN TERMS OF CHAPTER XB OF THE SEBI (ICDR) REGULATIONS, 2009 AS AMENDED FROM TIME TO TIME.
For further details see "Terms of the Issue" beginning on page 183 of this Draft Prospectus.

All the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") as per the SEBI circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015. For further details, please refer to section titled "Issue Procedure" beginning on page 190 of this Draft Prospectus. In case of delay, if any in refund, our Company shall pay interest on the application money at the rate of 15 % per annum for the period of delay.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH AND THE ISSUE PRICE IS 13 TIMES THE FACE VALUE.

RISK IN RELATION TO THE FIRST ISSUE

This being the first Public Issue of our Company, there has been no formal market for the securities of our Company. The face value of the shares is ₹ 10 per Equity Shares and the Issue price is 13 times of the face value. The Issue Price (as determined by our Company in consultation with the Lead Manager) as stated in the chapter titled on "Basis for Issue Price" beginning on page 72 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 or sustained trading in the equity shares of our Company or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. 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 neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India 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 10 of this Draft Prospectus.

ISSUER's ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares offered through the Draft Prospectus are proposed to be listed on the BSE SME Platform. In terms of the Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, we are not required to obtain any in-principal listing approval for the shares being offered in this Issue. However, our Company has received an approval letter dated [●] from BSE for using its name in this offer document for listing our shares on the SME Platform of BSE. For the purpose of this Issue, the designated Stock Exchange will be the BSE Limited (**"BSE"**).

LEAD MANAGER	REGISTRAR TO THE ISSUE
CORPORATE STRATEGIC ALLIANZ LIMITED 808, Samedh Complex, Near Associated Petrol Pump, C.G. Road, Ahmedabad – 380 006, Gujarat- India. Tel No: +91-79- 40301750 Tele Fax No: +91- 79- 40024670 SEBI REGN NO: INM 000011260 Email Id: info@csapl.com Website: www.csapl.com Contact Person: Mr. Nevil R. Savjani	**BIGSHARE SERVICES PRIVATE LIMITED** E/2, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (E), Mumbai - 400 072 Tel: +91-22-404 30 200 Fax: +91-22-2847 5207 Website: www.bigshareonline.com E-Mail: ipo@bigshareonline.com Contact Person :Vipin Gupta SEBI Reg. No.: INR000001385

ISSUE PROGRAMME

ISSUE OPENS ON: [●]	ISSUE CLOSES ON: [●]

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

Term	Description
"ZAL", "our Company", "we", "us", "our", "the Company", "the Issuer Company" or "the Issuer"	ZEAL AQUA LIMITED, a public limited company incorporated under the Companies Act, 1956 and having as Registered Office at Plot No 4-5, GIDC, Olpad, Dist. Surat, Gujarat - 394540.
Promoters	1. Mr. Pradeep Navik 2. Mr. Shantilal Patel
Promoter Group	Companies, individuals and entities (other than companies) as defined under Regulation 2 sub-regulation (zb) of the SEBI ICDR Regulations. Mr. Manoj Patel, Mr. Kiran Patel, Ms. Mina Roy, Ms. Sharda Patel, Mr. Bharat Navik, Ms. Leela Khalasi and Ms. Bhanu Navik are forming part of promoter group under regulation 2(1)(zb) of SEBI (ICDR) Regulations, 2009, however due to family understanding and restructuring such person are excluded from the purview of "Promoter Group" category and having no control over them.

COMPANY RELATED TERMS

Term	Description
Articles / Articles of Association/AOA	Articles of Association of our Company
Auditors & Peer Review Auditor	The Statutory auditors of our Company, being M/s. Pary & Co., Chartered Accountants
Board of Directors / Board	The Board of Directors of our Company or a committee constituted thereof
Companies Act	Companies Act, 1956 and/ or the Companies Act, 2013, as amended from time to time.
CMD	Chairman Cum Managing Director or Chairman and Managing Director
Depositories Act	The Depositories Act, 1996, as amended from time to time
Director(s)	Director(s) of Zeal Aqua Limited unless otherwise specified
Equity Shares	Equity Shares of our Company of Face Value of ₹ 10 each unless otherwise specified in the context thereof
ED	Executive Director
EPCG	Export Promotion Capital Goods
Indian GAAP	Generally Accepted Accounting Principles in India
Key Managerial Personnel / Key Managerial Employees	The officer vested with executive power and the officers at the level immediately below the Board of Directors as described in the section titled "Our Management" on page 111 of this Draft Prospectus
MD	Managing Director
MOA/Memorandum / Memorandum of Association	Memorandum of Association of our Company as amended from time to time
Non Residents	A person resident outside India, as defined under FEMA
NRIs / Non Resident Indians	A person resident outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Outside India Regulation, 2000.
Registered Office	The Registered office of our Company, located at Plot No 4-5, GIDC, Olpad, Dist. Surat, Gujarat - 394540.
ROC / Registrar of Companies	Registrar of Companies, Gujarat, Dadra and Nagar Haveli.
WTD	Whole Time Director

ISSUE RELATED TERMS

Terms	Description
Applicant	Any prospective investor who makes an application for Equity Shares in terms of this Draft Prospectus
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of our Company
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by applicants to make an application authorising a SCSB to block the application amount in the ASBA Account maintained with the SCSB.
ASBA Account	An account maintained with the SCSB and specified in the application form submitted by ASBA applicant for blocking the amount mentioned in the application form.
Allotment	Issue of the Equity Shares pursuant to the Issue to the successful applicants
Allottee	The successful applicant to whom the Equity Shares are being / have been issued
Basis of Allotment	The basis on which equity shares will be allotted to successful applicants under the Issue and which is described in the section "Issue Procedure - Basis of allotment" on page 211 of this Draft Prospectus
Bankers to our Company	Bank of India, Punjab National Bank and Allahabad Bank.
Bankers to the Issue	[•]
Depository	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Draft Prospectus	The Draft Prospectus June 6, 2016 issued in accordance with Section 32 of the Companies Act filed with the BSE under SEBI(ICDR) Regulations
Eligible NRI	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Draft Prospectus constitutes an invitation to subscribe to the Equity Shares Allotted herein
Engagement Letter	The engagement letter dated April 27, 2016 between our Company and the LM
Issue Opening Date	The date on which the Issue opens for subscription.
Issue Closing date	The date on which the Issue closes for subscription.
Issue Period	The periods between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants may submit their application
IPO	Initial Public Offering
Issue / Issue Size / Public Issue	The Public Issue of 11,35,000 Equity Shares of Rs 10 each at ₹ 130 per Equity Share aggregating to ₹ 1475.50 Lacs by Zeal Aqua Limited
Issue Price	The price at which the Equity Shares are being issued by our Company under this Draft Prospectus being ₹ 130
LM / Lead Manager	Lead Manager to the Issue, in this case being Corporate Strategic Allianz Limited
Listing Agreement	Unless the context specifies otherwise, this means the SME Equity Listing Agreement to be signed between our company and the SME Platform of BSE.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 10,56,000 Equity Shares of Rs 10 each at ₹ 130 per Equity Share aggregating to ₹ 1372.80 Lacs by Zeal Aqua Limited.
Prospectus	The Prospectus, filed with the ROC containing, inter alia, the Issue opening and closing dates and other information
Public Issue Account	An Account of the Company under Section 40 of the Companies Act, 2013 where the funds shall be transferred by the SCSBs from bank accounts of the ASBA Investors

Qualified Institutional Buyers / QIBs	Mutual Funds, Venture Capital Funds, or Foreign Venture Capital Investors registered with the SEBI; FIIs and their sub-accounts registered with the SEBI, other than a subaccount which is a foreign corporate or foreign individual; Public financial institutions as defined in Section 4A of the Companies Act; Scheduled Commercial Banks; Multilateral and Bilateral Development Financial Institutions; State Industrial Development Corporations; Insurance Companies registered with the Insurance Regulatory and Development Authority; Provident Funds with minimum corpus of Rs 2,500 Lacs; Pension Funds with minimum corpus of Rs 2,500 Lacs; National Investment Fund set up by resolution F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; and Insurance Funds set up and managed by the army, navy, or air force of the Union of India. Insurance Funds set up and managed by the Department of Posts, India
Refund Account	Account opened / to be opened with a SEBI Registered Banker to the Issue from which the refunds of the whole or part of the Application Amount , if any, shall be made
Registrar / Registrar to the Issue	Registrar to the Issue being Bigshare Services Private Limited.
Regulations	Unless the context specifies something else, this means the 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 Rs 2,00,000
SCSB	A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and offers the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at http://www.sebi.gov.in/cms/sebi_data/attachdocs/1365051213899.html Intermediaries
SME Platform of BSE	The SME Platform of BSE for listing of equity shares offered under Chapter X-B of the SEBI (ICDR) Regulations which was approved by SEBI as an SME Exchange on September 27, 2011.
Underwriters	Underwriters to the issue are Corporate Strategic Allianz Limited and NNM Securities Pvt. Ltd.
Underwriting Agreement	The Agreement entered into between the Underwriters and our Company dated May 25, 2016.
Working Days	All days on which banks in Mumbai are open for business except Saturday, Sunday and public holiday.

TECHNICAL AND INDUSTRY RELATED TERMS

Term	Description
BFDAs	Brackish water Fish Farmers Development Agencies
CAA	Coastal Aquaculture Authority
CIFE	Central Institute of Fisheries Education
CRZ	Coastal Regulation Zone
DIPP	Department of Industrial Policy and Promotion
FAO	Food and Agricultural Organisation
ICAR	Indian Council of Agricultural Research
IMF	International Monetary Fund
KVA	Kilovolt-ampere
LIFDCs	Low-Income Food-Deficit Countries
MPEDA	Marine Products Export Development Authority
PPT	Parts salt per thousand parts water
WTO	World Trade Organization
SHRIMPS	A small free-swimming crustacean with an elongated body, typically marine and frequently of commercial importance as food.

S.O.P	Standard Operating Procedures
SAFA	Surat Aquaculture Farmers Association

CONVENTIONAL AND GENERAL TERMS/ ABBREVIATIONS

Term	Description
A/c	Account
Act or Companies Act	Companies Act, 1956 and/or the Companies Act, 2013, as amended from time to time
AGM	Annual General Meeting
ASBA	Application Supported by Blocked Amount
AS	Accounting Standards issued by the Institute of Chartered Accountants of India.
AY	Assessment Year
BG	Bank Guarantee
BSE	The Bombay Stock Exchange Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation Allocation Note
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
CRR	Cash Reserve ratio
Depositories	NSDL and CDSL
Depositories Act	The Depositories Act, 1996 as amended from time to time
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time
DCA	Department of corporate affairs
DIN	Director's identification number
DP/ Depository Participant	A Depository Participant as defined under the Depository Participant Act, 1996
DP ID	Depository Participant's identification
EBIDTA	Earnings Before Interest, Depreciation, Tax and Amortization
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPS	Earnings Per Share i.e., profit after tax for a fiscal year divided by the weighted average outstanding number of equity shares at the end of that fiscal year
Financial Year/ Fiscal Year/ FY	The period of twelve months ended March 31 of that particular year
FDI	Foreign Direct Investment
FDR	Fixed Deposit Receipt
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations there-under and as amended from time to time
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended.
FII	Foreign Institutional Investor (as defined under SEBI FII (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with SEBI under applicable laws in India
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended.
FIs	Financial Institutions
FIPB	Foreign Investment Promotion Board
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
Gov/ Government/GOI	Government of India

HUF	Hindu Undivided Family
IFRS	International Financial Reporting Standard
ICSI	Institute of Company Secretaries of India
ICAI	Institute of Chartered Accountants of India
Indian GAAP	Generally Accepted Accounting Principles in India.
I.T. Act	Income Tax Act, 1961, as amended from time to time
INR/ Rs./ Rupees / ₹	Indian Rupees, the legal currency of the Republic of India
Ltd.	Limited
Merchant Banker	Merchant banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended.
MOF	Minister of Finance, Government of India
MOU	Memorandum of Understanding
NA	Not Applicable
NAV	Net Asset Value
NEFT	National Electronic Fund Transfer
NIFTY	National Stock Exchange Sensitive Index
NOC	No Objection Certificate
NR/ Non Residents	Non Resident
NRE Account	Non Resident External Account
NRI	Non Resident Indian, is a person resident outside India, as defined under FEMA and the FEMA Regulations
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NTA	Net Tangible Assets
p.a.	Per annum
P/E Ratio	Price/ Earnings Ratio
PAN	Permanent Account Number allotted under the Income Tax Act, 1961, as amended from time to time
PAT	Profit After Tax
PBT	Profit Before Tax
PIO	Person of Indian Origin
PLR	Prime Lending Rate
R & D	Research and Development
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934, as amended from time to time
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
SAT	Security appellate Tribunal
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to Time
SCSBs	Self Certified Syndicate Banks
SEBI	The 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 Insider Trading Regulations	SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
SEBI ICDR Regulations / ICDR Regulations / SEBI ICDR / ICDR	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time
SEBI Rules and Regulations	SEBI ICDR Regulations, SEBI (Underwriters) Regulations, 1993, as amended, the SEBI (Merchant Bankers) Regulations, 1992, as

	amended, and any and all other relevant rules, regulations, guidelines, which SEBI may issue from time to time, including instructions and clarifications issued by it from time to time.
Sec.	Section
Securities Act	The U.S. Securities Act of 1933, as amended.
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small And Medium Enterprises
Stamp Act	The Indian Stamp Act, 1899, as amended from time to time
State Government	The Government of a State of India
Stock Exchanges	Unless the context requires otherwise, refers to, the BSE Limited
STT	Securities Transaction Tax
TDS	Tax Deducted at Source
TIN	Tax payer Identification Number
UIN	Unique Identification Number
U.S. GAAP	Generally accepted accounting principles in the United States of America.
VCFs	Venture capital funds as defined in, and registered with SEBI under, the erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended, which have been repealed by the SEBI AIF Regulations. In terms of the SEBI AIF Regulations, a VCF shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 till the existing fund or scheme managed by the fund is wound up, and such VCF shall not launch any new scheme or increase the targeted corpus of a scheme. Such VCF may seek re-registration under the SEBI AIF Regulations.

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Financial Data

Unless stated otherwise, the financial data in the Draft Prospectus is derived from our audited financial statements for the period ended December 31, 2015 and financial year ended March 31, 2015, 2014, 2013, 2012, and 2011 prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI ICDR Regulations and the Indian GAAP which are included in the Draft Prospectus, and set out in the section titled 'Financial Information' beginning on page number 135 of the Draft Prospectus. Our Financial Year commences on April 1 and ends on March 31 of the following year, so all references to a particular Financial Year are to the twelve-month period ended March 31 of that year. In the Draft Prospectus, discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off.

There are significant differences between Indian GAAP, IFRS and U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included herein, and the investors should consult their own advisors regarding such differences and their impact on the financial data. Accordingly, the degree to which the restated financial statements included in the Draft Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in the Draft Prospectus should accordingly be limited.

Any percentage amounts, as set forth in the sections / chapters titled 'Risk Factors', 'Business Overview' and 'Management's Discussion and Analysis of Financial Condition and Results of Operations' beginning on page numbers 9, 76 and 161 respectively, of the Draft Prospectus and elsewhere in the Draft Prospectus, unless otherwise indicated, have been calculated on the basis of our restated financial statements prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI ICDR Regulations and the Indian GAAP.

Industry and Market Data

Unless stated otherwise, industry data used throughout the Draft Prospectus has been obtained or derived from industry and government publications, publicly available information and sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although our Company believes that industry data used in the Draft Prospectus is reliable, it has not been independently verified.

Further, the extent to which the industry and market data presented in the Draft Prospectus is meaningful depends on the reader's familiarity with and understanding of, the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

Currency and units of presentation

In the Draft Prospectus, unless the context otherwise requires, all references to;

• 'Rupees' or '₹' or 'Rs.' or 'INR' are to Indian rupees, the official currency of the Republic of India.

• 'US Dollars' or 'US$' or 'USD' or '$' are to United States Dollars, the official currency of the United States of America,

EURO or " €" are Euro currency,

All references to the word 'Lakh' or 'Lac', means 'One hundred thousand' and the word 'Million' means 'Ten lacs' and the word 'Crore' means 'Ten Million' and the word 'Billion' means 'One thousand Million'.

FORWARD LOOKING STATEMENTS

All statements contained in the Draft Prospectus that are not statements of historical facts constitute 'forward-looking statements'. All statements regarding our expected financial condition and results of operations, business, objectives, strategies, plans, goals and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, our revenue and profitability, planned projects and other matters discussed in the Draft Prospectus regarding matters that are not historical facts. These forward looking statements and any other projections contained in the Draft Prospectus (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.

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. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Competition from existing and new entities may adversely affect our revenues and profitability;
- Political instability or changes in the Government could adversely affect economic conditions in India and consequently our business may get affected to some extent.
- Our business and financial performance is particularly based on market demand and supply of our products;
- The performance of our business may be adversely affected by changes in, or regulatory policies of, the Indian national, state and local Governments;
- Any downgrading of India's debt rating by a domestic or international rating agency could have a negative impact on our business and investment returns;
- Changes in Government Policies and political situation in India may have an adverse impact on the business and operations of our Company;
- The occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition.

For further discussion of factors that could cause the actual results to differ from the expectations, see the sections "Risk Factors", "Business Overview" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 9, 76 and 161 of this Draft Prospectus, respectively. 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 gains or losses could materially differ from those that have been estimated.

Forward-looking statements reflect the current views as of the date of this Draft Prospectus and are not a guarantee of future performance. These statements are based on the management's beliefs and assumptions, which in turn are based on currently available information. Although our Company believes 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. None of our Company, the Directors, the LM, or 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. Our Company and the Directors will ensure that investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange.

SECTION II - RISK FACTORS

An investment in equity involves a high degree of risk. Investors should carefully consider all the information in this Offer Document, including the risks and uncertainties described below, before making an investment in our equity shares. Any of the following risks as well as other risks and uncertainties discussed in this Offer Document could have a material adverse effect on our business, financial condition and results of operations and could cause the trading price of our Equity Shares to decline, which could result in the loss of all or part of your investment. In addition, the risks set out in this Offer Document may not be exhaustive and additional risks and uncertainties, not presently known to us, or which we currently deem immaterial, may arise or become material in the future. Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other risks mentioned herein.

The Draft Prospectus also 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 many factors, including the considerations described below and elsewhere in the Draft Prospectus.

Materiality

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

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

Note:

The risk factors are disclosed 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 Offer Document, 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" and elsewhere in this Offer Document unless otherwise indicated, has been calculated on the basis of the amount disclosed in the our restated financial statements prepared in accordance with Indian GAAP.

INTERNAL RISK FACTORS:

1. **Out of total cost of Plant & Machinery worth ₹ 2558.44 lakhs, we have yet to place and order of approx of ₹ 1214.11 Lakhs which constitutes around 47.46 % of the total cost of plant & machinery.**

   Out of total cost of Plant & Machinery worth ₹ 2558.44 lakhs, we are yet to place an order for approx ₹ 1214.11 lakhs. The 10 %Contingency provision is made of total cost of plant and machineries. The increase in the cost of plant and machineries on account of non placement of order will not increase the cost of project as the company had made provision of 10% of the total cost of plant and machinery as contingency towards cost.

2. **Out of total cost of Plant & Machinery worth ₹ 2558.44 lakhs, we have to import plant and machinery worth ₹ 1078.75 Lakhs. We are subject to risk arising from foreign exchange fluctuation.**

   We are require to import plant and machinery worth ₹ 1078.75 Lakhs and our company is yet to place an order for the said plant and machinery. The exchange rate between the rupee and other currency is variable and may continue to fluctuate in future. Fluctuations in the exchange rate may affect the cost of the project and which may require us to arrange the additional fund for completion of the project. If we are not able to arrange such additional fund in due time which may

results in delay in implementation of our project and which may result into adversely affects the profitability and financial results of the company.

3. **The company is going to import the machineries under EPCG Scheme. An application for EPCG license is yet to be made.**

The Company has considered the cost of imported plant and machineries in the cost of project without import duty cost. The duty is not required to be paid if the Company imports the machinery under EPCG (Export Promotion Capital Goods) Scheme. As per the EPCG license, the Company has to fulfil the obligation of exporting of goods in specific time period. The Company has yet to apply for the EPCG License and if the Company fails to achieve the export obligation in specific time period then company has to pay the duty amount with penalty. The financial position of the Company will affect adversely on account of non fulfilment of the export obligation.

4. **Our Company is involved in certain legal proceedings. Any adverse decision in such proceedings may adversely affect our business and results of operations.**

Our Company is involved in certain legal proceedings and claims in relation to certain tax matters. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. Any adverse decision may render us liable to liabilities / penalties and may adversely affect our business and results of operations. The details of these legal and other proceedings are given in the following table:

(₹ In Lacs)

Nature of litigation	Civil / Criminal cases	Tax Cases	Financial implications
Litigation against our Company: Indirect Tax	Nil	2	1181.97
Litigation against our Company: Direct Tax	Nil	1	176.79*
Litigation by our Company	Nil	Nil	Nil

*Amount relating to penalty proceeding under section 271(1)(c) read with section 274 of the Income Tax Act is un-ascertainable. Out of Rs. 176.79 lacs the company had paid Rs. 45.00 lacs up to March 2016

For further details regarding these legal proceedings, please refer to the chapter titled 'Outstanding Litigations and Material Developments' beginning on page 169 of this Draft Prospectus.

5. **Our business requires us to obtain and renew certain registrations, licenses and permits from government and regulatory authorities and the failure to obtain and renew them in a timely manner may adversely affect our business operations.**

Our business operations require us to obtain and renew from time to time, certain approvals, licenses, registration and permits, some of which may expire and for which we may have to make an application for obtaining the approval or its renewal. Our Company is required to renew such permits, licenses and approvals. There can be no assurance that the relevant authorities will issue any of such permits or approvals in time or at all. Further, these permits, licenses and approvals are subject to several conditions, and our Company cannot assure that it shall be able to continuously meet such conditions or be able to comply with such conditions to statutory authorities, and this may lead to cancellation, revocation or suspension of relevant permits/ licenses/ approvals, which may affect our business adversely.

For more information about the licenses required in our business and the licenses and approvals applied for renewal and approval yet to apply, please refer section "Government and other statutory approvals" appearing on page no 172.

6. **Our business of Shrimp Farming is seasonal in nature.**

Our business of Shrimp Farming is seasonal in nature. Our Company begins partial harvesting from 100 to 120 days of culture and final harvesting begins after 180 days from culture. Since our major source of revenue is from the sale of final harvesting of shrimps, our revenues are concentrated after the final harvesting of Shrimps. During the slack period, our Company undertakes cleaning, maintenance and revamping of its ponds and other infrastructural facilities due to which our Company is able to produce better quality of prawns by exposing the prawns to a better environment and preventing them from associated diseases. However, seasonal nature of our business may have significant adverse impact on our cash flows and business operations.

7. **We operate in an environment sensitive industry. The shrimps we produce may be prone to certain diseases spread in the environment.**

   Our Company is mainly engaged into farming of shrimps. One of the species of shrimps called "Black Tiger" produced by us is quite vulnerable to diseases especially known as the "White Spot Disease". According to our management, the introduction of specific pathogen free Vannamei species has improved the prospects of the shrimp industry. Vannamei species was introduced after host of trials and the brood stock is quarantined in Chennai before their release to hatcheries for farming. These being a specific pathogen free species, the percentage of spread of diseases are expected to be low. In addition to this the Costal Aqua Culture Authority regular checking to ensure the norms of the bio security requirements are strictly followed.

8. **Our entire production facility is located in the state of Gujarat. Further we generate our major sales from our operations in certain geographical regions especially Andhra Pradesh, Gujarat and Maharashtra. Any adverse developments affecting our operations in these regions could have an adverse impact on our revenue and results of operations.**

   Our Company is engaged in aquaculture activities only in Gujarat State. Our most of the Customer base is in the state of Andhra Pradesh, Gujarat and Maharashtra. Thus our current operation is in the very limited parts of the Andhra Pradesh, Gujarat and Maharashtra State. This limited exposure may affects adversely and create constrains in the path of development. Even changes in the economic and environmental changes may adversely affect our business operations. Thus our limited experience in the state of Andhra Pradesh, Gujarat and Maharashtra cannot be useful as the environment, customs, business practice, transportation, government laws etc may be different in the different parts of the country and Overseas Markets, particularly as the Company plans to foray into processing of shrimps which shall open avenues to international markets for the Company and further expand its operations.

   As we intend to expand our business in the other parts of India as well as International Markets too, we are likely to face severe competition not only form the domestic players but international players too. So we may not be competent enough to expand our business in to areas outside our existing market, which will affect adversely to our business prospects and also affects our financial conditions and operational results.

9. **We do not possess any control on the bio security measures employed at different level of operations. Improper measures may lead to risk of development of new infections/ diseases.**

   Bio security can be defined as the set of procedures undertaken to prevent, control and eradicate infectious diseases in organisms. Although we have standard management system and a biosecurity arrangement in place, there may be possibility of lack of biosecurity arrangement at our farms under collaboration agreements as also at farms under satellite farming. This may cause to develop the risk of new diseases among the shrimps. If we are failed in controlling these risks, our business may be significantly and adversely affected. Accordingly, investors should consider our business and prospects in light of the competition, challenges and risk faced by the company and should not consider only our past performance and results as an indication of our future performance.

10. **We have not identified any alternate source of raising the funds required for our 'Objects of the Issue'. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.**

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

11. Increased in the cost of raw material, labour and other charges, may adversely affect our results of operation and feasibility of our expansion plan.

Shrimp cultivation is one of the major and important activities in our expansion plan; our business would be affected by the cost and quality of raw materials and availability of raw materials and labour too. The prices and supply of raw materials and labour are dependents on various factors which are not in our control and its depends upon various factors including general economic conditions, competition, production levels, transportation costs and import duties. On account of overall inflationary situation the cost of farming could go up significantly and to that extent our profitability may be adversely affected. We are not sure that we shall be able to procure raw materials of good quality at competitive prices and to that extent it will affect our profitability adversely. Over and above this we may not be able to pass on either full or part of any increase in the cost of seeds, feeds or probiotics / medicines etc. To our customers, this will reduce our profit from such expansion and development. Any increase in the costs of our important raw materials may adversely affect our business, financial condition and results of operation.

12. We are planning to set-up a processing unit for shrimps which shall be a new line of business for us.

As a part of expansion/development of project our Company is in the process of setting up of a processing unit for storage and further processing of harvested shrimps. In the initial stage we may face teething problems such as technical problems, shortage of resources, operational mismanagement, etc. in the process of setting up the new processing unit. We may also face competition from the existing process unit. Further we have not identified international customer base and shall also have to develop an international market for the sales of our finished goods (i.e. processed shrimps). All these factors may create hurdles in our speedy growth in the initial period of development and to that extent, affect the profitability of the company.

13. Conflicts of interest may arise due to common business undertaken by our Company and our Group Entities.

As per the object clause of our Group Companies and the purpose for which Our Group Entities are created are authorized to carry out business similar to that of our Company. As a result, conflicts of interests may take place in diverting the business opportunities amongst our Company and our Group Entities. In cases of conflict, our Promoter may favour any other entities of our group in which our Promoter is interested. There can be no assurance that our Promoter or our Group Entities or members of the Promoter Group will not compete with our existing business or any future business that we may undertake. Such conflicting nature of business could have a material adverse effect on our business, results of operations and financial conditions.

14. Our success depends heavily upon our Promoters and Senior Management for their continuing services, strategic guidance and financial support.

Our success depends heavily upon the continuing services of Pradeep Navik, Shantilal Patel and Rohan Navik, who are the natural person in control of our Company. They currently serve as our Managing Director and Executive Directors and their very rich experience and vision have played a key role in obtaining our current market position. We would depend significantly on our Key Managerial Persons for continuing our operation and executing the proposed expansion plan. If our Managing Director, Executive Directors or any member of the senior management team is unable or unwilling to continue in their present position, we may not be able to replace him easily or at all, and our business, financial condition, results of operations and prospects may be materially and adversely affected.

15. Some of our Group entities have incurred losses during the recent Fiscal year.

The following group entities have incurred losses in recent Fiscal years: - (₹ in lakhs)

Sr No.	Name of Company	Profit / Loss - Fiscal Year 2015
1	Agni Aqua Farm	(0.18)
2	Pruthvi Aqua Farm	(0.09)
3	Vayu Aqua Farm	(0.32)
4	Akash Aqua Farm	(0.07)
5	Mukesh Hotels Private Limited	(0.21)
6	Navik Aqua Private Limited	(0.26)
7.	Susan Aqua Private Limited	(0.26)
8	Goldpink Aqua Culture Private Limited	(0.26)
9	Bright Commotrade private Limited	(0.19)

16. The Company has purchased the Land from Mr. Shantilal Patel Chairman and Managing Director of the Company

Our Company has purchased land on leasehold basis and free hold basis from the Mr. Shantilal Patel Chairman and Managing Director of the Company, details of which is given below:

Freehold Land

Particulars	Details
Name of the Parties (Buyer)	Registered in the name of Zeal Aqua Limited
Name of Seller(s)	Mr. Shantilal Patel
Description of Property	Block No. 345/B/6, Village Orma, Taluka- Olpad, Surat.
Date of agreement	January 25, 2016
Consideration Paid including stamping and Registration charges	Rs. 83,89,500
Usage	Setting of Shrimp Processing Unit
Area (Approx)	35076 sq. meters

Leasehold Land

Particulars	Details
Name of the Lessor	Mr. Shantilal Patel
Name of Lesee	Zeal Aqua Limited
Description of Property	Block/Survey No. 347, Khata No. 319, Village Orma, Olpad, Surat
Date of agreement	July 7, 2015
Usage	Setting of Shrimp Processing Unit
Area (Approx)	14569 square meters
Rent	19,500 and with the increase 15% for every 5 year
Period	90 years commencing from June 1, 2015

17. 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 Rs.50,000 Lacs. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, as per the Section 177 of the Companies Act, 2013 the Audit Committee of our Company would be monitoring the utilization of the Issue Proceeds.

18. Our Company has negative cash flow in the past years details of which is given below. Sustained negative cash flow could impact our growth and business.

Our Company had negative cash flows from our operating activities, investing activities as well as financing activities in the previous years as per the Restated Financial Statements and the same are summarized as under.

(₹ In Lacs)

Particulars	For the period ended on	For the year ended on				
	December 31, 2015	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Net Cash Generated from Operating Activities	930.85	2808.42	1353.94	696.40	318.20	(152.93)
Net Cash Generated From Investing Activities	(616.71)	(1265.77)	(346.72)	(326.73)	(589.98)	(227.35)
Net Cash Generated from Financing Activities	(296.85)	(487.72)	(969.97)	(320.95)	281.62	(55.76)

19. We do not own the lands on which our Aquaculture activities are being carried on.

At present, our Company has entered into various collaboration agreements with third parties for Aquaculture cultivation on lands owned by them on certain terms and conditions. The tenure of collaboration agreements are generally of 5 years, subject to renewal after the agreed period of time. Any change in the terms and conditions of the collaborations agreement, any premature termination such collaboration agreement, may adversely affect our business operations and our financial condition.

Further the collaborators are not the owner of these land but the lands are allotted to them by Government subject to certain terms and conditions for a specified period. Any failure on the part of collaborators to fulfil the terms and conditions leading to revocation of land agreement by the Government, any change in the government policies with respect to allotment of the land or inability of the third party to renew land agreement on completion of specified period, might directly impact the scale of operations of our Company and may adversely affect our business operations and our financial condition.

20. Our Company requires sizable amounts of working capital for a continued operation and growth. Our inability to meet with our working capital requirements may have an adverse effect on our growth, development, financial results and its operations.

Aquaculture industry requires intensive working capital for day to day operations. This being the seasonal business our company needs sizable amount of working capital. As the production cycle of marketable Shrimps takes minimum five to six months, we require to deploy working capital during that period. The credit period given to the clients is also high.

21. Our company avails various credit facilities from the Bank and as per sanction terms there are certain restrictive covenants imposed on the issuer company.

As on December 31, 2015, our total secured debts was of Rs. 3896.16 Lacs. We have entered into agreements for term loans and financial facilities with our banker and the covenants in borrowings from bank , among other things require us to obtain permissions in writing in respect of, including, but not limited to effecting any change in the management/Board of the Company, declaration of dividend, capital structure of the Company; undertake any new project, implement any scheme of expansion or acquire fixed assets, enter into borrowing arrangement either secured or unsecured with any other bank/financial institution/Company or otherwise; except which are approved by Bank/lenders, formulate any scheme of amalgamation, acquisition, merger, or reconstruction etc. These covenants may have an adverse effect on the functioning of our Company.

22. We are highly dependent on smooth supply and transportation and timely delivery of our products from our farms to our customers and regular supply of raw materials. Various uncertainties and delays or non delivery of our products will affect our production and sales.

We depend on transportation services for timely delivery of our required raw materials and for delivery of our products to our customers. We rely on third parties to provide such services. Disruptions of transportation services because of weather related problems, strikes, lock-outs, inadequacies in road infrastructure or other events could impair our procurement of raw materials and our ability to supply our products to our customers which in turn may adversely affect our business operations and our financial condition.

23. Our Company faces competition in its business from other aquaculture players.

Though the aquaculture sector in India is fragmented and unorganised, is highly competitive and our Company faces competition from other aquaculture units. The industry is dominated by few powerful regional players. There are many competitors having better financials and management resources who have captured greater market share than our Company has. Our Company may face competition in the future from established players having significant operations in the other parts of India. This may adversely affect our business operations and our financial condition.

24. Our Company is yet to establish its marketing set up across the country and n international markets.

Our major business operations including marketing are concentrated in the state of Gujarat. The current marketing setup of our Company is very limited to Gujarat only. We will gradually expand our marketing activities in the various other states of our country. With the setting up of the processing unit, our company needs to create very strong distribution networks across India as well as in the international markets. Our Company has to put forward lots of efforts and incur sizable marketing expenses to establish its Domestic as well as International marketing network. The cost of this may affect our Company's expansion plans and profitability.

25. Increasing thrust on R&D/technology up gradation increase the costs.

The aquaculture industry is very sensitive to environment and the healthy growth/catch of the shrimps dependent on favourable environment. After introduction of the new species namely Vannamei, and the up gradation made in shrimp rearing and feeding technologies, the chances of diseases has decreased considerably. However, the aquaculture industry is prone to environmental changes. The Company has to constantly upgrade and adopt the new technologies in order to minimize its dependence on environmental factors.

Our company has in-house research facility and team to constantly test and monitor the aquaculture activities carried on our farms. Our management is very much adoptive to technological up gradation and of the business operations which is evidenced by the installations of Auto-feeder systems to shrimps, PH level testers among others. Our Company put forward continuous and conscious efforts to match the pace of technological advancements with the business requirements. Our company has to incur cost for the same and to that extent it may adversely affect our business operations and our financial condition.

26. Changes in safety, health and environmental laws and various labour related laws and regulations may require to additional costs and as such this may adversely affect our results of operations and financial condition.

We are required to comply with the safety, health and environmental laws and various labour, workplace and related laws and regulations in the areas in which we operate, this includes the disposal and storage of raw materials, air and water discharges, to manage the storage, use and disposal of the chemical used by us, employee exposure to hazardous materials and other aspects of our operations. Compliance with any changes in these laws may increase our costs and as such adversely affect our results of operations and financial condition.

Aquaculture farming is subject to various Laws and rules and regulations framed by the various authorities viz. Local Authorities, State Government Authorities and Central Government Authorities. Various Laws and regulation that govern the acquisition and development of Farm, including laws and regulations related to zoning, permitted uses of Land, norms for the open space to be kept, norms for environmental and safety measures and to comply with the various Laws relating to the Labour and their safety too. This requires additional cost to be incurred and to that extent it will adversely affect our results of operations and financial condition.

27. We have unsecured loans which are repayable on demand. Any demand from lenders for repayment of such unsecured loans, may adversely affect our business operations and cash flows.

As per our restated financial statements, as on December 31, 2015, we have unsecured loan of ₹ 466.41 lacs from promoters, promoter group and others which is repayable on demand. Any demand from lenders for repayment of such unsecured loans, may adversely affect our business operations and liquidity. For further details of these unsecured loans, please refer to Auditors' Report beginning on page 135 of the Draft Prospectus.

28. Our business depends on our cultivating the Shrimps and any loss of or shutdown of operations of the cultivating activities on any grounds could adversely affect our business or results of operations.

Our shrimp cultivation facilities are subject to operating risks, such as breakdown or failure of equipment, interruption in power supply or processes, shortage of raw materials, performance below expected levels of output or efficiency, natural disasters, obsolescence, labour disputes, strikes, lockouts, severe weather, industrial accidents, our inability to respond to technological advances and emerging industry standards and practices in the industry and the need to comply with the directives of relevant government authorities. The occurrence of any of these risks could significantly affect our operating results, and the loss or shutdown of operations at our cultivation facility will have a material adverse affect on our business, financial condition and results of operations.

29. Our Promoters and members of the Promoter Group will continue jointly to retain majority control over our Company after the Issue, which will allow them to determine the outcome of matters submitted to shareholders for approval.

Post this Issue, our Promoters and Promoter Group will collectively own 67.28% of our equity share capital. As a result, our Promoters, together with the members of the Promoter Group, will continue to exercise a significant degree of influence over Company and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act, 2013 and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company.

In addition, our Promoters will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or other shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

30. Our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures.

We have not paid any dividends since incorporation. Our future ability to pay dividends will depend on our earnings, financial condition and capital requirements. There can be no assurance that we will generate sufficient income to cover the operating expenses and pay dividends to the shareholders. Our ability to pay dividends will also depend on our expansion plans. We may be unable to pay dividends in the near or medium term, and the future dividend policy will depend on the capital requirements and financing arrangements for the business plans, financial condition and results of operations.

EXTERNAL RISK FACTORS

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

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, change in regulatory framework, inflation, deflation, foreign exchange fluctuations, consumer credit availability, consumer debt levels, unemployment trends, terrorist threats and activities, worldwide military and domestic disturbances and conflicts, and other matters that influence consumer confidence, spending and tourism.

32. Any changes in the regulatory framework could adversely affect our operations and growth prospects.

Our Company is subject to various regulations and policies. For details see section titled "Key Industry Regulations and Policies" beginning on page 98 of this Draft Prospectus. Our business and prospects could be materially adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that our Company will succeed in obtaining all requisite regulatory approvals in the future for our operations or that compliance issues will not be raised in respect of our operations, either of which could have a material adverse affect on our business, financial condition and results of operations.

33. Civil disturbances, extremities of weather, regional conflicts and other political instability may have adverse affects on our operations and financial performance.

Certain events that are beyond our control such as earthquake, fire, floods and similar natural calamities may cause interruption in the business undertaken by us. Our operations and financial results and the market price And liquidity of our equity shares may be affected by changes in Indian Government policy or taxation or social, ethnic, political, economic or other adverse developments in or affecting India.

34. We are subject to risks arising from interest rate fluctuations, which could adversely impact our business, financial condition and operating results.

Changes in interest rates could significantly affect our financial condition and results of operations. If the interest rates for our existing or future borrowings increase significantly, our cost of servicing such debt will increase. This may negatively impact our results of operations, planned capital expenditures and cash flows.

35. There is no guarantee that the Equity Shares issued pursuant to the Issue will be listed on the SME Platform of "BSE" in a timely manner, or at all.

In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the Issue will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the SME Platform of "BSE". Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

36. The price of our Equity Shares may be volatile, or an active trading market for our Equity Shares may not develop.

Prior to this Issue, there has been no public market for our Equity Shares. Our Company and the Lead Manager have appointed NNM Securities Private Limited as Designated Market maker for the equity shares of our Company. However, the trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance

of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors, the Indian Capital Markets and Finance industry, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnership, joint ventures, or capital commitments.

37. Taxes and other levies imposed by the Government of India or other State Governments, as well as other financial policies and regulations, may have a material adverse impact on our business, financial condition and results of operations.

Taxes and other levies imposed by the Central or State Governments in India that impact our industry include customs duties, excise duties, sales tax, income tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. There can be no assurance that these tax rates/slab will continue in the future. Any changes in these tax rates/slabs could adversely affect our financial condition and results of operations.

Prominent Notes

1. This is a Public Issue of 11,35,000 Equity Shares of ₹ 10 each at a price of ₹ 130 per Equity Share aggregating ₹ 1475.50 Lacs.

2. Our Net Worth as per Restated Financial Statement as on March 31, 2015 and at December 31, 2015 was ₹ 1940.59 and 2031.61 Lacs respectively.

3. The Net Asset Value per Equity Share as March 31, 2015 and at December 31, 2015 was ₹ 63.27 and Rs. 66.24 respectively.

4. Investors may contact the Lead Manager for any complaint pertaining to the Issue. All grievances relating to ASBA may be addressed to the Registrar to the Issue, with a copy to the relevant SCSBs, giving full details such as name, address of the Applicant, number of Equity Shares for which the applied, Application Amounts blocked, ASBA Account number and the Designated Branch of the SCSBs where the ASBA Form has been submitted by the ASBA Applicant.

5. The average cost of acquisition per Equity Share by our Promoters is set forth in the table below:

Name of the Promoters	No. of Equity Shares held	Average cost of acquisition (in ₹)
Mr. Shantilal Patel	4,47,840	5.58
Mr. Pradeep Navik	4,15,520	7.21

For further details relating to the allotment of Equity Shares to our Promoter, please refer to the chapter titled "Capital Structure" beginning on page 36 of the Prospectus.

6. There has been no financing arrangement whereby the Promoter Group, our Directors and their relatives have financed the purchase, by any other person, of securities of our Company other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of the Prospectus.

7. The details of transaction by our Company are disclosed under "Related Party Transactions" in "Annexure XVII" Financial Information" of our Company beginning on page 157 of this Draft Prospectus.

SECTION III - INTRODUCTION

SUMMARY OF OUR INDUSTRY

APPROACH TO AQUACULTURE INDUSTRY

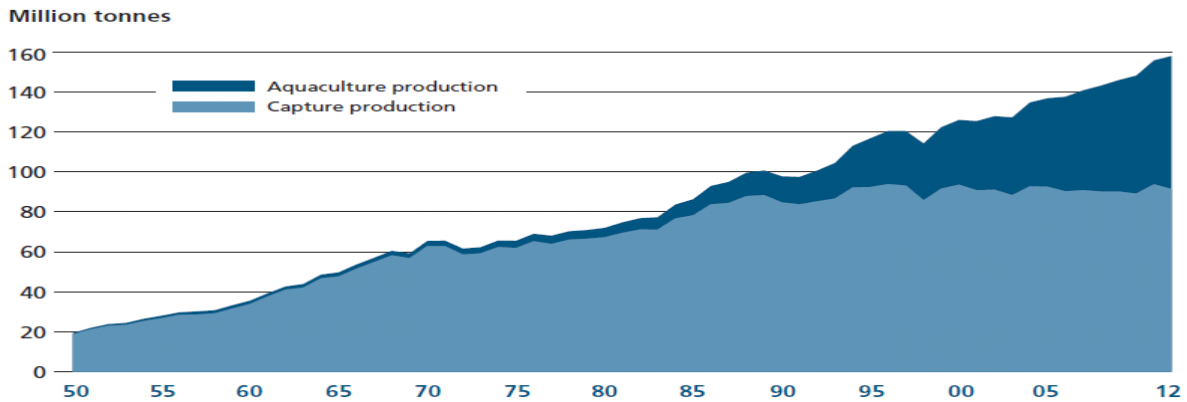
Aquaculture continues to be the fastest growing animal food-producing Industry Aquaculture also known as aqua farming is the farming of aquatic organisms including fish, molluscs, shrimps/prawns and aquatic plants. Farming implies some form of intervention in the rearing process to enhance production, such as regular stocking, feeding, protection from predators, etc. Farming also implies individual or corporate ownership of the stock being cultivated. For statistical purposes, aquatic organisms which are harvested by an individual or corporate body which has owned them throughout their rearing period contribute to aquaculture while aquatic organisms which are exploitable by public as a common property resource, with or without appropriate licences, are the harvest of fisheries

World Aquaculture production in 2012 was 90.43 million tonnes including 66.63 million tonnes of food fish , 23.78 million tonnes of aquatic algae (mostly marine macro algae/ seaweeds), and 22.4 thousand tonnes of non food products (pearls & shells etc.). On global average, aquaculture supplied 9.41 of food fish per person for consumption in 2012. However, production distribution is extremely uneven across the globe and on all continents owing to the imbalance development.
Source: - ftp://ftp.fao.org/fi/stat/Overviews/AquacultureStatistics2012.pdf

GLOBAL AQUACULTURE INDUSTRY

Global fish production has grown steadily in the last five decades, with food fish supply increasing at an average annual rate of 3.2 percent, outpacing world population growth at 1.6 percent. World per capita apparent fish consumption increased from an average of 9.9 kg in the 1960s to 19.2 kg in 2012. This impressive development has been driven by a combination of population growth, rising incomes and urbanization, and facilitated by the strong expansion of Aquaculture production and more efficient distribution channels. China has been responsible for most of the growth in fish availability, owing to the dramatic expansion in its fish production, particularly from aquaculture. Its per capita apparent fish consumption also increased an average annual rate of 6.0 percent in the period 1990–2010 to about 35.1 kg in 2010. Annual per capita fish supply in the rest of the world was about 15.4 kg in 2010 (11.4 kg in the 1960s and 13.5 kg in the 1990s).Despite the surge in annual per capita apparent fish consumption in developing regions (from 5.2 kg in 1961 to 17.8 kg in 2010) and low-income food-deficit countries (LIFDCs) (from 4.9 to 10.9 kg), developed regions still have higher levels of consumption, although the gap is narrowing. A sizeable and growing share of fish consumed in developed countries consists of imports, owing to steady demand and declining domestic fishery production. In developing countries, fish consumption tends to be based on locally and seasonally available products, with supply driving the fish chain. However, fuelled by rising domestic income and wealth, consumers in emerging economies are experiencing a diversification of the types of fish available owing to an increase in fishery imports.

World capture fishers and aquaculture production



World food fish aquaculture production expanded at an average annual rate of 6.2 percent in the period 2000–2012 (9.5 percent in 1990–2000) from 32.4 million to 66.6 million tonnes. In the same

period, growth was relatively faster in Africa (11.7 percent) and Latin America and the Caribbean (10 percent). Excluding China, production in the rest of Asia grew by 8.2 percent per year (4.8 percent in 1990–2000). The annual growth rate in China, the largest aquaculture producer, averaged 5.5 percent in 2000–2012 (12.7 percent in 1990–2000). In 2012, production in North America was lower than in 2000.

Global aquaculture production attained another all-time high of 90.4 million tonnes (live weight equivalent) in 2012 (US$144.4 billion), including 66.6 million tonnes of food fish and 23.8 million tonnes of aquatic algae, with estimates for 2013 of 70.5 million and 26.1 million tonnes, respectively. China alone produced 43.5 million tonnes of food fish and 13.5 million tonnes of aquatic algae that year. Some developed countries, e.g. the United States of America, have reduced their aquaculture output in recent years, mainly owing to competition from countries with lower production costs .An important change in trade patterns is the increased share of developing countries in fishery trade. Developing economies saw their share rise to 54 percent of total fishery exports by value in 2012, and more than 60 percent by quantity (live weight). Although developed countries continue to dominate world imports of fish and fishery products, their share has decreased. Exports from developing countries have increased significantly in recent decades also thanks to the lowering of tariffs. This trend follows the expanding membership of the World Trade Organization (WTO), the entry into force of bilateral and multilateral trade agreements, and rising disposable incomes in emerging economies. However, several factors continue to constrain developing countries in accessing international markets.
Source: - http://www.fao.org/3/a-i3720e/i3720e01.pdf

OVERVIEW OF INDIAN ECONOMY

In the coming year, real GDP growth at market prices is estimated to be about 0.6-1.1 percentage points higher vis-a-vis 2014-15. This increase is warranted by four factors. First, the government has undertaken a number of reforms and is planning several more. Cumulative growth impact of these reforms will be positive. A further impetus to growth will be provided by declining oil prices and increasing monetary easing facilitated by ongoing moderation in inflation. Simulating the effects of tax cuts, declining oil prices will add spending power to households, thereby boosting consumption and growth. Oil is also a significant input in production, and declining prices will shore up profit margins and hence balance sheets of the corporate sector. Declining input costs are reflected in the wholesale price index which moved to deflation territory in January 2015.

Further decline in inflation and the resulting monetary easing will provide policy support for growth both by encouraging household spending in interest-sensitive sectors and reducing the debt burden of firms, strengthening their balance sheets. The final favourable impulse will be the monsoon which is forecast to be normal compared to last year. Using the new estimate for 2014-15 as the base, this implies growth at market prices of 8.1- 8.5 percent in 2015-16. The power of growth to lift all boats will depend critically on its employment creation potential.

Reforms

In the months ahead, several reforms will help boost investment and growth. The budget should continue the process of fiscal consolidation, embedding actions in a medium-term framework. India's overall revenue-to-GDP ratio (for the general government) for 2014 is estimated at 19.5 percent by the IMF. This needs to move toward levels in comparator countries—estimated at 25 percent for emerging Asian economies and 29 percent for the emerging market countries in the G-20.
Since assuming office in May 2014, the new government has undertaken a number of new reform measures whose cumulative impact could be substantial.
Source: - http://pibnews.blogspot.in/2015/08/economic-survey-2015-volume-1-original.html

SUMMARY OF OUR BUSINESS OVERVIEW

Our Company was incorporated as "Zeal Aqua Private Limited" at Surat under the provision of the Companies Act, 1956 vide certificate of incorporation dated March 6, 2009 issued by the Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Consequent upon the conversion of our Company to public limited company, the name of our Company was changed to "Zeal Aqua Limited" and fresh certificate of incorporation dated March 31, 2015 was issued by the Assistant Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U05004GJ2009PLC056270.

Our Promoters basically lead the way of aquaculture in Surat around 20 years ago and have individually started cultivation of shrimp with 2 ponds. After continues efforts in various innovation in the field of aquaculture, shrimp farming, satellite farming etc decided to give the business a corporate shape and to accomplish the thought, Our Promoters who were individually engaged in culturing shrimps joined hands in 2009 and incorporated our company "Zeal Aqua Private Limited" to make the business scalable and reap the benefits of synergy. In addition, the introduction of schemes of Government to allot coastal lands for aquaculture purposes to promote this industry and generate a source of revenue for farmers motivated our Promoters to have a vision to develop an advanced, sustained and fully integrated aquaculture system in Surat and also across India.

At present, our Company have approx 160 ponds spread over village Mor, Delasa, Mandorai, Cutpore, Nesh, Dandi, Olpad, Orna, Bhagwa, Udhana, etc admeasuring area of approx 200 hectares of land wherein the land on which ponds are constructed for cultivation of shrimp by our Company is in accordance with collaboration agreements with various parities. In the year 2011, Mr. Rohan Navik, son of Mr. Pradeep Navik, promoter of the our Company, joined the company as Whole time Director and since then he is also looking after the daily business affairs of the company.

In addition to shrimp farming, our Company is also engaged in satellite farming whereby our Company supplies inputs i.e shrimp feeds, shrimp seeds, probiotics and other aquaculture related products etc on credit to small farmers and buys shrimps from these farmers. Our Company has approx 1050 satellite farms. We deploy our specific quality control measures and the farmers under satellite farming are required to adhere to our farming standards. The satellite farming enables companies to scale up and multiply its production without putting up physical infrastructure on its own. This flexible model of shrimp production helps our Company to efficiently manage growing demand of shrimps.

After establishing the strong foothold in the shrimp farming and satellite farming activities, as a part of forward integration our Company is in process of setting up shrimp processing unit for their shrimp including cold storage and primarily to manufacture Individually quick frozen (IQF) shrimp products for which our company had already purchased land admeasuring area of 35076 sq meters and 14569 sq meter land on lease basis at Village Orma, Olpad, Surat. With the help of this proposed processing unit, Our company will be in a position to directly sell the finished product (consumable shrimp) to the export market. Thus, the proposed project is a logical forward integration for our Company and the same would help the Company to expand their global foot-prints and take their business ahead in the right direction.

Our object of enhancing productivity, quality and minimize environmental degradation our Company has taken various measures such as introduction of PE Line Ponds, use of qualitative feeds, bio-security measures such as fencing and water management among others.

OUR COMPETITIVE STRENGTH

Vast experience over 20 years with sound market knowledge

Our promoters have been involved in aquaculture-shrimp farming since last 20 years, which has enabled us to successfully implement our growth strategies. We benefit from the rich experience of the promoters and their expertise in the field of aqua culture - shrimp cultivation, satellite farming etc. Our Company aims to develop an advanced, sustainable and fully integrated Aquaculture system.

Feeding Strategies

While shrimp health and harvest quality set the overall objectives, a number of different themes factor prominently in our Company's research and development (R&D) programs, each playing an important role in the development of the aquaculture business. Shrimp health is one of the keys to shrimp growth and survival, and is therefore an integral part of all R&D programs. Another very important theme in the R&D programs is harvest quality of shrimp in terms of flesh structure, taste, and nutritional value in human consumption.

Our Company is committed to continuously innovating feed development strategies, to better cater to different species' nutritional needs in the different stages of life cycle. Special research programs focus on the development of feed for new species, while others evaluate the physical quality of feed in terms of size, shape, crumble, dust, water absorption etc.

Improved Product performance

Our Company not only believes in growing in numbers of shrimps, but it believes in growing technologically and in an eco-friendly manner. The economics of shrimp farming is considerably dependent on feed performance. Hence, a primary objective of our company is to improve our product through the effective use of feed. Our product is evaluated on the basis of growth and feed conversion. Our Company believes in delivering the best quality shrimps, free from all kind of antibiotics and banned substances. To maintain the quality our Company follows S.O.P (Standard Operating Procedures).

Ever growing demand of our products

Our Company's multifold growth in the past 5 years speaks of the high demand of our products, and our growth model. Shrimp being a food item, there shall be always be a growing demand trend for our product.

Effective bio-security measures

We have deployed effective bio-security measures to prevent the outbreak of disease amongst the shrimps and provide an environment which facilitates healthy growth of shrimps. Some of the measures include fencing of our ponds, use of aerators, water filtration, etc.

State of art infrastructure

Our Company has invested significant resources in the development of state of art infrastructure for farming of shrimps. Our Company has invested significant resources in PE lining of ponds and bio-security measures and has developed a scalable technology system. Our state of art infrastructure and farming practices have been recognized and have fetched us the following recognistions:

- CIFE award in year 2009-10
- Bhumi Nirman Award in 2011
- Fisheries excellence award by Doordarshan
- Best Farmers for L.Vannemai by MPEDA in 2013

SUMMARY OF OUR FINANCIAL INFORMATION

STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

ANNEXURE I
(Rs. in Lacs)

Sr. No.	Particulars	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015	As at Decembe r 31, 2015
1)	**Equity & Liabilities**						
	Shareholders' funds						
	a. Share capital	130.00	150.00	150.00	191.70	306.72	306.72
	b. Reserves & surplus	226.60	727.70	867.83	1433.17	1633.87	1724.89
	C. Share Application Money	13.00	-	-	-	-	-
2)	**Non-current liabilities**						
	a. Long term borrowings	218.30	394.19	435.74	536.02	448.80	502.67
	b.Long term Provisions	1.10	2.83	3.92	4.93	6.10	8.72
	c. Deferred tax liabilities (net)	2.23	4.42	13.36	18.59	3.42	(25.97)
3)	**Current liabilities**						
	a. Trade payables	199.50	112.90	207.47	371.02	221.78	635.61
	b. Other current liabilities	18.56	69.64	299.38	459.41	90.40	51.53
	c. Short term provisions	41.68	58.05	69.07	166.30	157.70	103.44
	d.Short Term Borrowings	864.79	842.35	1778.08	788.38	3433.19	3859.91
	T O T A L (1+2+3)	**1715.76**	**2362.08**	**3824.85**	**3969.52**	**6301.98**	**7167.52**
4)	**Non-current assets**						
	a. Fixed assets						
	i. Tangible assets	174.81	667.50	864.81	1087.91	1379.37	1282.19
	ii. Intangible assets	-	-	-	-	-	-
	iii.Capital work in progress	66.40	94.13	-	-	680.12	1096.76
	b.Non-current investment	0.20	10.29	10.29	47.74	10.29	10.29
	c. Deferred tax assets (net)	-	-	-	-		
	d. Long term loans &advances	0.41	06.39	06.68	21.41	28.10	31.61
	e. Other non-currentassets	0.13	0.08	0.03	-		
5)	**Current assets**						

Sr. No.	Particulars	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015	As at Decembe r 31, 2015
	a. Inventories	79.22	71.52	78.37	97.56	78.69	306.89
	b. Trade receivables	1130.51	1030.70	2357.67	1334.63	2197.12	2436.29
	c. Cash and cash equivalents	21.76	31.62	80.33	117.58	1427.49	1499.27
	d. Short term loans & advances	242.32	449.85	274.60	298.94	485.80	489.22
	e. Other current assets	-	-	152.07	963.75	15.00	15.00
	T O T A L (4+5)	**1715.76**	**2362.08**	**3824.85**	**3969.52**	**6301.98**	**7167.52**

STATEMENT OF PROFIT AND LOSS AS RESTATED

ANNEXURE II
(Rs. in Lacs)

Sr. No.	Particulars	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015	As at December 31, 2015
	INCOME						
	Revenue from Operations						
	Manufacturing Turnover	-	1171.95	1504.63	1792.18	1818.15	1809.31
	Trading turnover	5598.32	5194.86	5611.85	11553.24	14903.65	7231.43
	Other Operating Income	110.71	119.46	106.46	253.99	412.44	96.62
	Other income	6.24	-	2.64	17.18	31.05	20.23
	Total revenue (A)	**5715.27**	**6486.27**	**7225.58**	**13616.59**	**17165.29**	**9157.59**
	EXPENDITURE						
	Purchase of stock-in-trade	5232.16	5204.78	5906.80	11773.76	15050.06	7774.04
	Changes in inventories of finished goods, traded goods and work-in-progress	(21.55)	7.70	(6.85)	(19.19)	18.87	(228.19)
	Employee benefit expenses	21.44	29.83	35.88	54.62	69.02	71.38
	Finance costs	139.80	281.26	362.51	348.14	393.80	347.22
	Depreciation and amortization expense	9.75	73.00	71.19	86.07	240.39	242.75
	Other expenses	202.62	706.88	637.10	852.94	985.93	802.25
	Total expenses (B)	**5584.22**	**6303.45**	**7006.63**	**13096.34**	**16758.07**	**9009.45**
	Profit before tax (A-B)	131.05	182.82	218.95	520.25	407.22	148.14
	Prior period items (net)	-	-	-	-	-	-
	Profit before exceptional, extraordinary items and tax	131.05	182.82	218.95	520.25	407.22	148.14
	Exceptional items	-	-	-	-		
	Profit before extraordinary items and tax	131.05	182.82	218.95	520.25	407.22	148.14
	Extraordinary items	-	-	-	-	-	-
	Profit before	131.05	182.82	218.95	520.25	407.22	148.14

Sr. No.	Particulars	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015	As at December 31, 2015
	tax						
	Tax expense:						
	(i) Current tax	41.66	58.00	69.00	165.00	115.00	42.50
	(ii) Deferred tax (asset)/liability	2.02	2.19	8.94	5.23	(15.17)	(29.40)
	Total tax expense	43.68	60.19	77.94	170.23	99.83	13.10
	Profit for the year/ period	87.37	122.63	141.01	350.02	307.39	135.04
	Earning per equity share(face value of Rs. 10/- each): Basic and diluted (Rs.)	8.74 8.74	9.43 9.43	9.40 9.40	19.60 19.60	10.02 10.02	4.40 4.40
	Adjusted earning per equity share(face value of Rs. 10/- each): Basic and diluted (Rs.)	8.74 8.74	9.43 9.43	9.40 9.40	19.60 19.60	10.02 10.02	4.40 4.40

STATEMENT OF CASH FLOW AS RESTATED

ANNEXURE III
(Rs. in Lacs)

Particulars	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015	As at December 31, 2015
Cash flow from operating activities:						
Net profit before tax as per statement of profit and loss	131.05	182.82	218.95	520.25	407.22	148.14
Adjusted for:						
Preliminary expenses	0.05	0.05	0.05	0.03	-	-
Provision for gratuity	0.43	1.75	1.10	1.07	1.03	2.63
Depreciation & amortization	9.70	72.95	71.19	86.04	240.39	242.75
Interest & Finance Cost	139.80	281.26	362.51	303.00	393.42	339.91
Profit on sale of Fixed Assests	-	-	-	(2.53)	-	-
Interest Income on FD	(6.24)	-	-	(14.65)	-	-
Profit on Sale of MF	-	-	-	-	-	-
Loan Processing Fees	-	-	-	45.13	0.38	7.31
Operating profit before working capital changes	**274.79**	**538.83**	**653.80**	**938.34**	**1042.44**	**740.74**
Adjusted for:						
(Increase)/ decrease in inventories	7.70	(6.85)	(19.19)		18.87	(228.19)
(Increase)/ decrease in trade receivables	(339.29)	99.81	(1326.97)	1023.04	(862.48)	(239.16)
(Increase)/ decrease in loans and advances and other assets	(168.44)	(226.99)	175.25	(808.43)	598.15	(3.43)
Increase/ (decrease) in liabilities & provisions	120.85	(86.60)	94.57	163.55	2267.35	333.58
Increase/ (decrease) in trade payables	15.58	13.02	1107.47	143.82	(149.24)	413.83
Cash generated from operations	(118.05)	319.73	697.27	1441.13	2915.09	1017.37
Excess IT Provision	-	-	-	-	8.33	(44.02)
Direct tax paid	(34.88)	(1.53)	(0.87)	(87.19)	(115.00)	(42.50)
Net cash flow from operating activities (A)	**(152.93)**	**318.20**	**696.40**	**1353.94**	**2808.42**	**930.85**
Cash flow from investing activities:						
Purchase of fixed assets	(167.19)	(593.38)	(174.36)	(37.44)	(536.20)	(145.57)
Sale of Fixed Assets	-	-	-	4.75	4.34	0.63
Investments in WIP	(66.39)	-	-	-	(680.12)	(417.27)
Proceeds from LongTerm Loans & Advances	-	13.49	(0.29)	-	-	-
Security Deposits Given	-	-	-	(14.73)	-	-
Loans & advances given to Others	-	-	-	(2.59)	-	-
Investment in FD	-	-	(152.08)	-	(53.79)	(54.50)
Interest Income on FD	6.23	-	-	14.64	-	-
Purchase of Investments	-	(10.09)	-	(311.35)	-	-
Profit on sale of MF	-	-	-	-	-	-
Net cash flow used in	**(227.35)**	**(589.98)**	**(326.73)**	**(346.72)**	**(1265.77)**	**(616.71)**

Particulars	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015	As at December 31, 2015
investing activities (B)						
Cash flow from financing activities:						
Proceeds from issue of equity shares	163.00	400.00	-	250.20	-	
Proceeds from Long Term Borrowings	190.72	175.88	41.55	266.51	1.62	100.00
Repayment of Loans & Advances	(269.68)	-	-	(1138.55)	(95.54)	(46.12)
Application Money Refunded	-	(13.00)	-	-	-	
Loan Processing Fees Incurred/Security Deposit given	-	-	-	(45.13)	-	(3.51)
Finance Cost	(139.80)	(281.26)	(362.50)	(303.00)	(393.80)	(347.22)
Net cash flow from/(used in) financing activities (C)	**(55.76)**	**281.62**	**(320.95)**	**(969.97)**	**(487.72)**	**(296.85)**
Net increase/(decrease) in cash & cash equivalents (A+B+C)	(436.04)	9.85	48.71	37.25	1054.93	17.28
Cash & cash equivalents as at beginning of the year	457.81	21.76	31.61	80.32	117.57	1172.50
Cash & cash equivalents as at end of the year	21.76	31.61	80.32	117.57	1172.50	1189.78

THE ISSUE

Present Issue in terms of the Draft Prospectus:

(₹ In lacs, except shares data)

Issue Details	
Equity Shares offered	11,35,000 Equity Shares of ₹ 10 each at an Issue Price of ₹130 each aggregating to ₹1475.50 Lacs
Of which:	
Reserved for Market Makers	79,000 Equity Shares of ₹10 each at an Issue Price of ₹130 each aggregating to ₹102.70 Lacs
Net Issue to the Public*	10,56,000 Equity Shares of ₹10 each at an Issue Price of ₹130 each aggregating to ₹1372.80 Lacs
Of which	
Retail Portion	5,28,000 Equity Shares of ₹ 10 each at an Issue Price of ₹130 each aggregating to ₹686.40 Lacs
Non Retail Portion	5,28,000 Equity Shares of ₹ 10 each at an Issue Price of ₹130 each aggregating to ₹686.40 Lacs
Equity Shares outstanding prior to the Issue	30,67,200 Equity Shares of ₹10 each
Equity Shares outstanding after the Issue	42,02,200 Equity Shares of ₹10 each
Use of Proceeds	For further details please refer chapter titled "Objects of the Issue" beginning on page no 54 of the Draft Prospectus for information on use of Issue Proceeds.

Notes

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 section titled 'Issue Structure' beginning on page 192 of this Draft Prospectus.

The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on May 24, 2016, and by the shareholders of our Company vide a special resolution passed pursuant to section 62(1)(C) of the Companies Act at the EGM held on May 24, 2016.

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

a) Minimum fifty percent to retail individual investor; and
b) Remaining to:
   i. Individual applicants other than retail individual investors; and
   ii. Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
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 retails individual investor category is entitled to more than fifty per cent on proportionate basis, accordingly the retails individual investors shall be allocated that higher percentage.

GENERAL INFORMATION

Our Company was incorporated as Zeal Aqua Private Limited under the provision of the Companies Act, 1956 vide certificate of incorporation dated March 06, 2009 issued by the Asst. Registrar of Companies, Ahmedabad, Gujarat. Consequent upon the conversion of our Company to public limited company, the name of our Company was changed to Zeal Aqua Limited and fresh certificate of incorporation dated March 31, 2015 was issued by the Asst. Registrar of Companies, Ahmadabad, Gujarat. The Corporate Identification Number of our Company is U05004GJ2009PLC056270.

For further details in relation to the corporate history of our Company, see the section titled "History and Certain Corporate Matters" on page no 106.

BRIEF COMPANY AND ISSUE INFORMATION

Registered Office	**Zeal Aqua Limited** Plot No 4-5, GIDC, Olpad, Dist. Surat, Gujarat - 394540. Tel: +02621-220540 Fax: +02621-220540 Email: ipo@zealaqua.com Website: www.zealaqua.com Contact Person: Ms. Javanika Gandharva
Date of Incorporation	March 06,2009
Company Identification No.	U05004GJ2009PLC056270
Company Category	Company limited By Shares
Registrar Of Company	Gujarat Dadra and Nagar Haveli
Address of the RoC	ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop Naranpura, Ahmedabad - 380013 Phone: 079-27437597 Fax: 079-27438371 E Mail: roc.ahmedabad@mca.gov.in
Designated Stock Exchange	BSE Limited - SME Platform
Issue Programme	Issue Opens On : [●] Issue Closes On : [●]

Company Secretary and Compliance Officer	Ms. Javanika Gandharva C/o Zeal Aqua Limited Plot No 4-5, GIDC, Olpad, Dist. Surat, Gujarat - 394540. Tel: +02621-220540 Fax: +02621-220540 Email: ipo@zealaqua.com Website: www.zealaqua.com

Note: Investors can contact the Compliance Officer in case of any pre issue or post issue related problems such as non-receipt of letter of allotment or credit of securities in depositories beneficiary account or dispatch of refund order etc.

BOARD OF DIRECTORS OF OUR COMPANY

Our Board Of Directors Consist of:

Name	Designation	DIN No.
Mr. Shantilal Patel	Chairman and Managing Director	01362109
Mr. Pradeep Navik	Whole Time Director	01067716
Mr. Rohan navik	Whole Time Director	02531248
Mr. Naginbhai Patel	Independent Director	01675923
Mrs. Roshan Kadodwala	Independent Director	07138664
Mr. Maheshbhai Mistry	Independent Director	07138442

For further details pertaining to the education qualification and experience of our Directors, please refer page no. 111 of this Draft Prospectus under the chapter titled "Our Management".

DETAILS OF KEY INTERMEDIARIES PERTAINING TO THIS ISSUE AND OUR COMPANY

Lead Manager to the Issue	Registrar to the Issue
CORPORATE STRATEGIC ALLIANZ LIMITED SEBI Regn No: INM 000011260 808, Samedh Complex, Near Associated Petrol Pump, C.G. Road, Ahmedabad – 380 006, Gujarat- India. Tel No.: +91-79-40301750 Tele Fax No: +91- 79- 4002 4670 Email Id: zeal@csapl.com Investors Grievance Id: info@csapl.com Website: www.csapl.com Contact Person: Mr. Nevil R. Savjani	**BIGSHARE SERVICES PRIVATE LIMITED** E/2, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (E), Mumbai - 400 072 Tel: +91-22-404 30 200 Fax: +91-22-2847 5207 Website: www.bigshareonline.com E-Mail: ipo@bigshareonline.com Contact Person :Vipin Gupta SEBI Reg. No.: INR000001385

Auditor of the Company	Legal Advisor to the Issue
M/s. Pary & Co. Chartered Accountants 9005, World Trade Center Ring Road, Surat – 395 002 Tel:+91-261-3927221 Fax: +91-261-3927221 E-mail: paryco@gmail.com WebSite :www.paryca.org Contact Person: Akash R. Gaglani Firm Registration number: 007288C Membership number: 114255	**Shah Associates** C/3/201, Anushruti Tower, Nr. Jain Temple, Thaltej, Ahmedabad Tel No.:+91-079- 26880570 Mobile No.:09426837114 Email : dshahadvocate@gmail.com Contact Person : Mr. Dharmesh Shah

Bankers to the Company	Bankers to the Company
Allahabad Bank Alaknanda Apartment, 864, Athugar Street, Nanpura, Surat-395001 Tel: +91- 261-2461879 Fax: +91- 261-2461156 Website: www.allahabadbank.in E-mail: br.nanpura@allahabadbank.in Contact Person: Pravin Kumar Bothra	**Punjab National Bank**, First floor, Meghani Tower, Station Road, Delhi Gate, Sura-395002. Tel: +91-261-2411038 Fax: +91-261-2422112 Website:www.pnbindia.in E-mail: bo0439@pnb.co.in Contact Person: NK Jain (AGM)

Bankers to the Company	Bankers to the Issue and Refund Banker
Bank of India Bank of India Building, 1st Floor, Ghoddod Road, Surat-395001 Tel: +91- 261-2240012/14 Fax: +91-261-2240013 Website: www.bankofindia.co.in E-mail: suratMCB.vadodara@bankofindia.co.in Contact Person: Vinod Kumar Jain	**[•]**

SELF CERTIFIED SYNDICATE BANKS

The SCSBs as per updated list available on SEBI's website (http://www.sebi.gov.in/cms/sebi_data/attachdocs/1365051213899.html). Investors are requested to refer the SEBI website for updated list of SCSBs and their designated branches.

STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES

Since Corporate Strategic Allianz Limited is the lead Manager to the issue, all the responsibility of the issue will be managed by them.

CREDIT RATING

As this is an issue of Equity Shares there is no credit rating for this Issue.

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.

TRUSTEE

As this is an issue of Equity Shares, the appointment of Trustees is not required.

BROKERS TO THE ISSUE

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

APPRAISAL AND MONITORING AGENCY

In terms of sub regulation (1) Regulation 16 of SEBI ICDR Regulations, Our Company is not required to appoint a monitoring agency in relation to the issue. However, Audit Committee of our Company would be monitoring the utilization of the Issue Proceeds.

The object of the issue and deployment of funds are not appraised by any independent agency/bank/financial institution.

Underwriting Agreement

This Issue is 100% Underwritten. The Underwriting agreement is dated May 25, 2016 Pursuant to the terms of the Underwriting Agreement; the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

Details of the Underwriter	No. of shares underwritten	Amount Underwritten (₹ in Lacs)	% of the Total Issue Size Underwritten
Corporate Strategic Allianz Limited 808, Samedh Complex, Near Associated Petrol Pump, C.G. Road, Ahmedabad – 380 006.	10,56,000	1372.80	93.04
NNM Securities Pvt. Ltd B 6/7, Shri Siddhivinayak Plaza, 2nd Floor, Plot No. B-31, Oshiwara, Opp. CitiMall, Behind Maruti Showroom, Andheri Linking Road, Andheri (West), Mumbai 400053	79,000	102.70	6.96
Total	**11,35,000**	**1475.50**	**100.00%**

In the opinion of our Board of Directors (based on a certificate given by the Underwriter), the resources of the above mentioned Underwriters are sufficient to enable them to discharge the underwriting obligations in full. The abovementioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchanges.

Details of the Market Making Arrangement for this Issue

Our Company and the Lead Manager have entered into a tripartite agreement dated May 25, 2016 with the following Market Maker, duly registered with BSE Limited to fulfill the obligations of Market Making:

NNM Securities Pvt. Ltd
B 6/7, Shri Siddhivinayak Plaza, 2nd Floor, Plot No. B-31,
Oshiwara, Opp. CitiMall,
Behind Maruti Showroom,
Andheri Linking Road, Andheri (West),
Mumbai 400053
Tel: 022-40790011, 40790036
Fax: 022-40790033
Email: support@nnmsecurities.com
Website: www.nnmsecurities.com
Contact Person: Mr. Nikunj Anilkumar Mittal
SEBI Reg No.: INB231044638/INF231044638/INE231044638

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

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

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

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

3) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.

4) There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE may intimate the same to SEBI after due verification.

5) There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.

6) 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.

7) The Marker maker may also be present in the opening call auction, but there is no obligation on him to do so.

8) There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be

applicable for non controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.

9) The Market Maker(s) shall have the right to terminate said arrangement by giving a three months notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s).

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

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

11) **Price Band and Spreads:** SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to ₹ 250 crores, the applicable price bands for the first day shall be:

    i. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.

    ii. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.

    Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The following spread will be applicable on the SME Exchange/ Platform.

Sr. No.	Market Price Slab (in ₹)	Proposed spread (in % to sale price)
1	Up to 50	9
2	50 to 75	8
3	75 to 100	6
4	Above 100	5

12) Punitive Action in case of default by Market Makers: BSE SME Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

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

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

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)
Upto ₹ 20 Crore	25%	24%
₹ 20 Crore To ₹ 50 Crore	20%	19%
₹ 50 Crore To ₹ 80 Crore	15%	14%
Above ₹ 80 Crore	12%	11%

CAPITAL STRUCTURE

Our Equity Share Capital before the issue and after giving effect to the issue, as on the date of filing of this Draft Prospectus, is set forth below:

(₹ In lacs, except shares data)

Sr. No.	Particulars	Aggregate Value at Face Value (₹)	Aggregate Value at issue Price (₹) in lacs
A.	**AUTHORISED EQUITY CAPITAL**		
	50,00,000 Equity Shares of ₹10 each	500.00	
B.	**ISSUED, SUBSCRIBED & PAID - UP CAPITAL BEFORE THE ISSUE**		
	30,67,200 fully paid Equity Shares of ₹10 each	306.72	
C.	**PRESENT ISSUE IN TERMS OF THIS DRAFT PROSPECTUS#**		
	11,35,000 Equity Shares of ₹10 each at a premium of ₹120 per share	113.50	1475.50
	Which Comprises		
(I)	Reservation for Market Maker 79,000 Equity Shares of ₹10 each at a premium of ₹120 will be available for allocation to Market Maker	7.90	102.70
(II)	Net Issue to the Public 10,56,000 Equity Shares of ₹10 each at a premium of ₹120 per share	105.60	1372.80
	Of Which		
(I)	5,28,000 Equity Shares of ₹10 each at a premium of ₹120 per share shall be available for allocation for Investors applying for a value of upto ₹2 lacs	52.80	686.40
(II)	5,28,000 Equity Shares of ₹10 each at a at a premium of ₹ 120 per share shall be available for allocation for Investors applying for a value of above ₹ 2 lacs	52.80	686.40
D.	**ISSUED, SUBSCRIBED AND PAID UP CAPITAL AFTER THE PRESENT ISSUE**		
	42,02,200 Equity Shares of ₹10 each	420.22	
E.	**SHARE PREMIUM ACCOUNT**		
	Share Premium account before the Issue		708.50
	Share Premium account after the Issue		2070.50

Note:

#The present issue of 11,35,000 equity shares in terms of this Draft Prospectus has been authorised by a resolution of our Board dated May 24, 2016 and by a special resolution passed pursuant to Section 62 (1) (C) of the Companies Act, 2013 at the EGM by the shareholders of our Company held on May 24, 2016.

Class of Shares

The company has only one class of shares i.e. Equity shares of ₹10 each only.

Our Company has no outstanding convertible instruments as on the date of this Draft Prospectus.

Changes in Authorized Share Capital :

Sr. No.	Particulars of Increase	Cumulative no. of equity shares	Cumulative Authorised Share Capital (₹ in Lacs)	Date of Meeting	Whether AGM/EGM
1.	On incorporation	10,000	1.00	-	-
2.	Increase from 1.00 Lacs to 100.00 Lacs	10,00,000	100.00	May 26, 2009	EGM
3.	Increase from 100.00 Lacs to 150.00 Lacs	15,00,000	150.00	January 01, 2011	EGM
4.	Increase from 150.00 Lacs to 200.00 Lacs	20,00,000	200.00	July 22, 2013	EGM
5.	Increase from 200.00 Lacs to 500.00 Lacs	50,00,000	500.00	March 25, 2015	EGM

Notes to the Capital Structure:

1. Share Capital History:

Our existing Share Capital has been subscribed and allotted as under:

Date	No. of Equity Shares Allotted	Face Value (₹)	Issue Price (₹)	Consideration	Remarks	Cumulative Number of Equity Shares	Cumulative paid up share capital (In ₹)	Cumulative Share Premium (In ₹)
March 06, 2009	10,000	10	10	Cash	Subscribers to the Memorandum	10,000	1,00,000	NIL
May 26, 2009	9,90,000	10	10	Cash	Further allotment	10,00,000	1,00,00,000	NIL
March 31, 2011	3,00,000	10	50	Cash	Further allotment	13,00,000	1,30,00,000	1,20,00,000
March 31, 2012	2,00,000	10	200	Cash	Further allotment	15,00,000	1,50,00,000	5,00,00,000
July 24, 2013	4,17,000	10	60	Cash	Further allotment	19,17,000	1,91,70,000	7,08,50,000
March 25, 2015	11,50,200	10	0	Bonus	Bonus Issue^	30,67,200	3,06,72,000	NIL

Note:

Our Company has issued Equity Share for consideration other than cash (Bonus Share) on March 25, 2015. Further, our Company has not allotted any Equity Shares pursuant to any scheme approved under section 391-394 of the Companies Act, 1956.

^Details of Capitalization of the reserves is given here below:

Date of allotment of Bonus Shares	Ratio of Bonus issue	Number of Equity shares issued as Bonus Shares	Face value of the shares (Rs.)	Amount of Profit Capitalized
March 25, 2015	3:5	11,50,200	10	1,15,02,000

2. Share Capital Build-up of our Promoters & Lock-in

Our Promoters had been allotted Equity Shares from time to time. The following is the Equity share capital build-up of our Promoters.

Date of Allotment / Transfer	Nature of Issue/ Allotment (Bonus, Rights etc)	Consideration	No. of Equity Shares	Cumulative No. of Equity Shares	Face Value (₹)	Issue/Transfer	% of total Issued Capital		Lock in Period
							Pre-Issue	Post-Issue	
(i)	**Mr. Shantilal Patel**								
March 6, 2009	Subscribers to the Memorandum	10	2,500	2,500	10	Issue	0.08	0.06	3 Years
May 26, 2009	Further allotment	10	2,47,500	2,50,000	10	Issue	8.07	5.89	3 Years
Dec 02, 2010	-	-	(100)	2,49,900	10	Transfer (sold)	-	-	-
October 5, 2013	-	-	10,000	2,59,900	10	Gift Received	0.33	0.24	3 Years
October 5, 2013	-	-	20,000	2,79,900	10	Gift Received	0.65	0.47	3 Years
March 25, 2015	Bonus Issue	-	1,67,940	4,47,840	10	-	5.47	4.00	3 Years
	Total (A)		**4,47,840**				**14.60**	**10.66**	
(ii)	**Mr. Pradeep Naik**								
March 6, 2009	Subscription to the Memorandum	10	2,500	2,500	10	Issue	0.08	0.06	3 Years
May 26, 2009	Further allotment	10	2,47,500	2,50,000	10	Issue	8.07	5.89	3 Years
Dec 02, 2010	-	-	(300)	2,49,700	10	Transfer (sold)	(0.01)	(0.01)	-
March 31, 2011	Further allotment	50	10,000	2,59,700	10	Issue	0.33	0.24	3 Years
March 25, 2015	Bonus Issue	-	1,55,820	4,15,520	10	-	5.08	3.71	3 Years
	Total (B)		**4,15,520**				**13.55**	**9.89**	
	Total (A+B)		**8,63,360**				**28.15**	**20.55**	

As per clause (a) sub-regulation (1) Regulation 32 of the SEBI ICDR Regulations and in terms of the aforesaid table, an aggregate of 20.55 % of the post-Issue Equity Share Capital of our Company i.e. 8,63,360 equity shares shall be locked in by our Promoters for three years. The lock-in shall commence from the date of allotment in the proposed public issue and the last date of lock-in shall be reckoned as three years from the date of commencement of commercial production or the date of allotment in the public issue whichever is later. (**"Minimum Promoters' contribution"**).

The Promoters' contribution has been brought in to the extent of not less than the specified minimum amount and has been contributed by the persons defined as Promoter under the SEBI ICDR Regulations. Our Company has obtained written consents from our Promoters for the lock-in of 8,63,360 Equity Shares.

We confirm that the minimum Promoters' contribution of 20.55 % as per Regulation 33 of the SEBI ICDR Regulations which is subject to lock-in for three years does not consist of:

- Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalization of intangible assets;

- Equity Shares acquired during the preceding three years resulting from a bonus issue by utilisation of revaluation reserves or unrealized profits of the issuer or from bonus issue against equity shares which are ineligible for minimum Promoters' contribution;

- Equity Shares acquired by Promoter during the preceding one year at a price lower than the price at which equity shares are being offered to public in the Issue; or equity shares pledged with any creditor.

- Further, our Company has not been formed by the conversion of a partnership firm into a company and no Equity Shares have been allotted pursuant to any scheme approved under Section 391-394 of the Companies Act, 1956.

3. Equity Shares locked-in for one year

In addition to 20.55% of the post-Issue shareholding of our Company locked-in for three years as the minimum Promoters' contribution, the balance Pre-Issue Paid-up Equity Share Capital i.e. 22,03,840 Equity Shares, would be locked-in for a period of one year from the date of Allotment in the proposed Initial Public Offering.

4. Other requirements in respect of 'lock-in'

In terms of Regulation 40 of the SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoters' prior to the Issue may be transferred to any other person holding the Equity Shares which are locked-in as per Regulation 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.

In terms of Regulation 40 of the SEBI ICDR Regulations, the Equity Shares held by our Promoters which are locked in as per the provisions of Regulation 36 of the SEBI ICDR Regulations, may be transferred to and amongst Promoters / members of the Promoter Group or to a new promoter or persons in control of our Company, subject to continuation of lock-in in the hands of transferees for the remaining period and compliance of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable.

In terms of Regulation 39 of the SEBI ICDR Regulations, the locked-in Equity Shares held by our Promoter can be pledged only with any scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or financial institutions, subject to the following:

- If the specified securities are locked-in in terms of sub-regulation (a) of Regulation 36 of the SEBI ICDR Regulations, the loan has been granted by such bank or institution for the purpose of financing one or more of the objects of the issue and the pledge of specified securities is one of the terms of sanction of the loan;

- If the specified securities are locked-in in terms of sub-regulation (b) of Regulation 36 of the SEBI ICDR Regulations and the pledge of specified securities is one of the terms of sanction of the loan.

5. Our Company has not revalued its assets since inception and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

6. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme 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.

7. 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. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines

8. Our Company has not issued any Equity Shares during a period of one year preceding the date

of the Draft Prospectus at a price lower than the Issue price.

9. Our shareholding pattern

The shareholding pattern of our Company before the issue as per Regulation 31 of the SEBI LODR Regulations, 2015 is given here below:

i. Summary of Shareholding Pattern:

Category (I)	Category of shareholder (II)	Nos of shareholders (III)	No of fully paid-up equity shares held (IV)	No of Partly paid-up equity shares held (V)	No of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
								Class eg: X	Class eg: Y	Total								
(A)	Promoter & Promoter Group	12	2827040	0	0	2827040	92.17	0	0	0	0	0	92.17	0	0	0	N.A	16,000
(B)	Public	14	240160	0	0	240160	7.83	0	0	0	0	0	7.83	0	0	N.A	N.A	0
(C)	Non	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N.A	N.A	0

	Promoter-Non Public																	
(C1)	Shares underlying DRs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**N.A**	**N.A**	0
(C2)	Shares held by Employee Trusts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**N.A**	**N.A**	0
		26	**3067200**			**3067200**	**100.00**	**0**	**0**	**0**	**0**	**0**	**100.00**	**0**	**0.00**	**0**	**0**	**16,000**

ii. Shareholding Pattern of the Promoter and Promoter Group:

Sr. No.	Category & Name of the shareholders (I)	PAN (II) (Not to be Disclosed)	Nos of shareholder (III)	No of fully paid-up equity shares held (IV)	Partly paid-up equity shares held (V)	No of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding % calculated as per SCRR, 1957) As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)				No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) as a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerilized form (XIV)
									No of Voting Rights			Total as a % of Total Voting Rights			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
									Class X	Class Y	Total								
(1)	**Indian**																		
(a)	**Individuals/H.U.F**		**7**	**1790880**	**0**	**0**	**1790880**	**58.39**	**0**	**0**	**0**	**0**	**0**	**58.39**	**-**	**-**	**-**	-	**16,000**
1	Mr. Shantilal Patel			447840	0	0	447840	14.60	0	0	0	0	0	14.60	**-**	**-**	**-**	-	0
2	Mr. Pradeep Navik			415520	0	0	415520	13.55	0	0	0	0	0	13.55	**-**	**-**	**-**	-	0

3	Mrs. Suzanben Pradeep Navik			415680	0	0	415680	13.55	0	0	0	0	0	13.55	-	-	-	-	0
4	Mrs. Rashmi Shantilal Patel			415680	0	0	415680	13.55	0	0	0	0	0	13.55	-	-	-	-	0
5	Mr. Rohan Navik			48160	0	0	48160	1.57	0	0	0	0	0	1.57	-	-	-	-	0
6	Mrs. Kimi Navik			32000	0	0	32000	1.04	0	0	0	0	0	1.04	-	-	-	-	0
7	Mr. Dhaval Patel			16,000	0	0	16,000	0.52	0	0	0	0	0	0.52	-	-	-	-	16,000
(b)	Cental/State Government(s)		0	0	0	0	0	0.00	0	0	0	0	0	0.00	-	-	-	-	0
(c)	Financial Institutions/Banks		0	0	0	0	0	0.00	0	0	0	0	0	0.00	-	-	-	-	0
(d)	**Any Other (Specify)**																		0
	Bodies Corporate		**5**	**1036160**	**0**	**0**	**1036160**	**33.78**	**0**	**0**	**0**	**0**	**0**	**33.78**	-	-	-	-	**0**
1	M/s Agave Tradecom LLP			667200	0	0	667200	21.75	0	0	0	0	0	21.75					0
2	M/s Rati Aqua Private Limited			128960	0	0	128960	4.20	0	0	0	0	0	4.20					0
3	M/s Navik Aqua Private Limited			80000	0	0	80000	2.61	0	0	0	0	0	2.61					0
4	M/s Goldpink Aquaculture Private Limited			80000	0	0	80000	2.61	0	0	0	0	0	2.61					0
5	M/s Suzan Aqua Private Limited			80000	0	0	80000	2.61	0	0	0	0	0	2.61	-	-	-	-	0
	Sub- Total (A)(1)		**12**	**2827040**	**0**	**0**	**2827040**	**92.17**	**0**	**0**	**0**	**0**	**0**	**92.17**	-	-	-	-	**0**
(2)	**Foreign**																		
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)		0	0	**0**	**0**	**0**	0.00	**0**	**0**	**0**	**0**	**0**	**0**	-	-	-	-	0
(b)	Government		0	0	**0**	**0**	**0**	0.00	**0**	**0**	**0**	**0**	**0**	**0**	-	-	-	-	0
(c)	Institutions		0	0	**0**	**0**	**0**	0.00	**0**	**0**	**0**	**0**	**0**	**0**	-	-	-	-	0

(d)	Foreign Portfolio Investor		0	0	0	0	0	0.00	0	0	0	0	0	**0**	**-**	**-**	**-**	-	0
(e)	Any Other (Specify)		0	0	0	0	0	0.00	0	0	0	0	0	**0**	**-**	**-**	**-**	-	0
	Sub- Total (A)(2)		**0**	0	**0**	**0**	**0**	0.00	**0**	**0**	**0**	**0**	**0**	**0**	**-**	**-**	**-**	-	0
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)		**12**	**2827040**	**0**	**0**	**2827040**	**92.17**	**0**	**0**	**0**	**0**	**0**	**0**	**-**	**-**	**-**	**-**	**16,000**

iii. Shareholding Pattern of our Public Shareholder:

Sr. No.	Category & Name of the shareholders (I)	PAN (II)	Nos of shareholder (III)	No of fully paid-up equity shares held (IV)	Partly paid-up equity shares	No of shares underlying Depository Re	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding % calculated as per SCRR, 1957) As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)				No of shares Underlying Outstanding convertible	Shareholding, as a % assuming full conversion of convertible securities (as a percen	Number of Locked in shares (XII)	Number of shares pledged or otherwise encumbared (XIII)	As a % of total shares held (Not applicable)(b)	Number of equity shares held in dematerilized form (XIV)
									No of Voting Rights			Total as a % of Total Vot						
									Class X	Class Y	Total							

					he ld (V)	cei pts (VI)							sec uriti es (Incl udi ng War rant s) (X)	tage of diluted share capital) (XI)=(V II)+(X) as a % of (A+B+ C2)	N o. (a)	As a % of tot al sh are s hel d (b)	No. (Not appli cabl e) (a)		
(1)	**Institutions**																		
(a)	Mutual Fund/UTI	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Venture Capital Funds	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Alternate Investment Funds	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Venture Capital Investors	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Foreign Portfolio Investors	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Financial Institutions Banks	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(g)	Insurance Companies	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(h)	Provident Funds/Pension Funds	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i)	Any Other (specify)	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub- Total (B)(1)		0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	-	-	0

(2)	**Central Government/State Government(s)/ President of India**		**0**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub- Total (B)(2)		**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	-	-	**0**
(3)	**Non-Institutions**		0	0	0	0	0	0.00		0	0	0	0	0	0	0	-	-	-
(a)	**Individuals - i.Individual shareholders holding nominal share capital up to Rs.2 lakhs.**		**13**	**192160**	**0**	**0**	**192160**	**6.26**	**0**	**0**	**0**	**0**	**0**	**6.26**	**-**	**-**	-	-	**0**
	ii.Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.		**1**	48000	0	0	48000	1.56	0	0	0	0	0	1.56	-	-	-	-	**0**
1	Mary R Moses			48000	0	0	48000	1.56	0	0	0	0	0	1.56	-	-	-	-	**0**
(b)	NBFCs registered with RBI		0	0	0	0	0	0.00	0	0	0	0	0	0	**0**	0	-	-	0
(c)	Employee Trust		0	0	0	0	0	0.00	0	0	0	0	0	0	**0**	0	-	-	0
(d)	Overseas Depositories (holding DRs) (balancing figure)		0	0	0	0	0	0.00	0	0	0	0	0	0	**0**	0	-	-	0
(e)	Any Other (Specify)		0	0	0	0	0	0.00	0	0	0	0	0	0	**0**		-	-	
	Sub- Total (B)(3)		**14**	**240160**	**0**	**0**	**240160**	**7.83**	**0**	**0**	**0**	**0**	**0**	**7.83**	**0**	**0**	-	-	**0**

	Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)		**14**	**240160**	**0**	**0**	**240160**	**7.83**	**0**	**0**	**0**	**0**	**0**	**7.83**	**0**	**0**	**-**	**-**	**0**

iv. Statement showing shareholding pattern of the Non Promoter-Non Public Shareholder:

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

(2)	**Employee Benefit Trust (Under SEBI (Share based Employee Benefit) Regulations, 2014)**	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-	-	0
	Sub total (C) (2)	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-	-	
	Total Non-Promoter - Non Public Shareholding (C)=(C)(1)+(C)(2)	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-	-	0

Our Company will file shareholding pattern of our Company in, the form prescribed under Regulation 31 of the SEBI Listing Regulations, one day prior to the listing of the Equity Shares. The Shareholding pattern will be uploaded on the website of BSE before commencement of trading of such equity shares.

10. The shareholding pattern of our Promoter and Promoter Group before and after the Issue:

Sr. No.	Name of share holder	Pre issue		Post issue	
		No of equity shares	As a % of Issued Capital	No of equity shares	As a % of Issued Capital
(i) Promoters					
1.	Mr. Shantilal Patel	4,47,840	14.60	4,47,840	10.66
2.	Mr. Pradeep Navik	4,15,520	13.55	4,15,520	9.89
	Total (A)	**8,63,360**	**28.15**	**8,63,360**	**20.55**
(ii) Promoter Group					
3.	M/s Agave Tradecom LLP	6,67,200	21.75	6,67,200	15.88
4.	Mrs. Susanben Pradeep Navik	4,15,680	13.55	4,15,680	9.89
5.	Mrs. Rashmi Shantilal Patel	4,15,680	13.55	4,15,680	9.89
6.	M/s Rati Aqua Private Limited	1,28,960	4.20	1,28,960	3.07
7.	M/s Navik Aqua Private Limited	80,000	2.61	80,000	1.90
8.	M/s Goldpink Aquaculture Private Limited	80,000	2.61	80,000	1.90
9.	M/s Susan Aqua Private Limited	80,000	2.61	80,000	1.90
10.	Mr. Rohan Navik	48,160	1.57	48,160	1.15
11.	Mrs. Kimi Navik	32,000	1.04	32,000	0.76
12.	Mr. Dhaval Patel	16,000	0.52	16,000	0.38
	Total (B)	**1963680**	**64.02**	**1963680**	**46.73**
	Total (A+B)	**2827040**	**92.17**	**2827040**	**67.28**
(iii) Public					
13.	Ms. Mary R Moses	48,000	1.56	48,000	1.15
14.	Mr. Ramesh Khalasi	16,000	0.52	16,000	0.38
15.	Mr. Mukesh Khalasi	16,000	0.52	16,000	0.38
16.	Mr. Ranjanben Khalasi	16,000	0.52	16,000	0.38
17.	Mr. Pravin Khalasi	16,000	0.52	16,000	0.38
18.	Mr. Jayantibhai Khalasi	16,000	0.52	16,000	0.38
19.	Ms. Ushaben Khalasi	16,000	0.52	16,000	0.38
20.	Mr. Amtha Khalasi	16,000	0.52	16,000	0.38
21.	Mr. Champak Khalasi	16,000	0.52	16,000	0.38
22.	Mr. Dinesh Khalasi	16,000	0.52	16,000	0.38
23.	Ms. Meenaben Khalasi	16,000	0.52	16,000	0.38
24.	Mr. Uttam Ishwar Khalasi	16,000	0.52	16,000	0.38
25.	Mr. Uttam Rame Khalasi	16,000	0.52	16,000	0.38
26.	Ms. Bomi Parvez Olpadwala	160	0.01	160	0.01
	Total (C)	**240160**	**7.83**	**240160**	**5.72**
	IPO (D)	**-**	**-**	**11,35,000**	**27.01**
	Grand Total (Total A+B+C+D)	**30,67,200**	**100**	**42,02,200**	**100.00**

11. 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 have been listed. Further, our Company presently does not have any intention or proposal to alter our capital structure within a period of six months from the date of opening of this Issue, by way of split / consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or otherwise except that if we enter into acquisition(s) or joint ventures, we may consider additional capital to fund such activities or to use Equity Shares as a currency for acquisition or participation in such joint ventures.

12. During the past six months immediately preceding the date of filing Draft Prospectus no Equity shares of the company have been purchased or sold by our Promoter, their relatives and associates, persons in Promoter Group [as defined under sub clause (zb) sub regulation (1) Regulation 2 of SEBI (ICDR) Regulations.

13. The members of the Promoter Group, our Directors or the relatives of our Directors have not financed the purchase by any other person of securities of our Company, other than in the normal course of the business of the financing entity, during the six months preceding the date of filing of the Draft Prospectus.

14. Our Company, our Promoter, our Directors and the Lead Manager to this Issue have not entered into any buy-back, standby or similar arrangements with any person for purchase of our Equity Shares issued by our Company through the Draft Prospectus.

15. There are no safety net arrangements for this public issue.

16. An oversubscription to the extent of 10% of the Issue can be retained for the purposes of rounding off to the minimum allotment lot and multiple of one share thereafter, while finalizing the Basis of Allotment. 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 Promoters and subject to lock- in shall be suitably increased so as to ensure that 20% of the Post Issue paid-up capital is locked in for 3 years.

17. As on the date of filing of the Draft Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other financial instruments into our Equity Shares.

18. All the Equity Shares of our Company are fully paid up as on the date of the Draft Prospectus. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be issued fully paid-up equity shares.

19. As per RBI regulations, OCBs are not allowed to participate in this Issue.

20. **Particulars of top ten shareholders:**

(a) Particulars of the top ten shareholders as on the date of the Draft Prospectus*:*

Sr. No.	Name of shareholder	No. of Shares	% of Shares to Pre-Issue Capital
1.	Agave Tradecom LLP	667200	21.75
2.	Mr. Shantilal Patel	447840	14.60
3.	Ms. Susanben Pradeep Navik	415680	13.55
4.	Ms. Rashmi S Patel	415680	13.55
5.	Mr. Pradeep Ratilal Navik	415520	13.55
6.	Rati Aqua Private Limited	128960	4.20
7.	Navik Aqua Private Limited	80000	2.61
8.	Goldpink Aquaculture Private Limited	80000	2.61
9.	Susan Aqua Private Limited	80000	2.61
10.	Mr. Rohan Navik	48160	1.57
Total		**27,79,040**	**90.61**

(b) Particulars of top ten shareholders ten days prior to the date of the Draft Prospectus:

Sr. No.	Name of shareholder	No. of Shares	% of Shares to Pre-Issue Capital
1.	Agave Tradecom LLP	667200	21.75
2.	Mr. Shantilal Patel	447840	14.60
3.	Ms. Susanben Pradeep Navik	415680	13.55
4.	Ms. Rashmi S Patel	415680	13.55
5.	Mr. Pradeep Ratilal Navik	415520	13.55
6.	Rati Aqua Private Limited	128960	4.20
7.	Navik Aqua Private Limited	80000	2.61
8.	Goldpink Aquaculture Private Limited	80000	2.61
9.	Susan Aqua Private Limited	80000	2.61

10.	Mr. Rohan Navik	48160	1.57
Total		**27,79,040**	**90.61**

(c) Particulars of the top ten shareholders two years prior to the date of the Draft Prospectus

Sr. No	Name of shareholder	No. of Shares	% of Shares to Pre-Issue Capital
1.	Agave Tradecom Private Limited	417000	21.75
2.	Mr. Shantilal Patel	279900	14.60
3.	Mr. Pradeep Ratilal Navik	259700	13.55
4.	Ms. Susanben Pradeep Navik	249800	13.03
5.	Ms. Rashmi S Patel	249800	13.03
6.	Navik Aqua Private Limited	50000	2.61
7.	Rati Aqua Private Limited	50000	2.61
8.	Goldpink Aquaculture Private Limited	50000	2.61
9.	Susan Aqua Private Limited	50000	2.61
10.	Mr. Rohan Navik Jt. Mr. Pradeep Navik	30000	1.56
Total		**16,86,200**	**87.96**

21. Our Company has not raised any bridge loan against the proceeds of this Issue. However, depending on business requirements, we might consider raising bridge financing facilities, pending receipt of the Net Proceeds.

22. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.

23. An Applicant cannot make an application for more than the number of Equity Shares being issued through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.

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

25. We have 26 shareholders as on the date of filing of the Draft Prospectus.

26. Our Promoter and the members of our Promoter Group will not participate in this Issue.

27. Our Company has not made any public issue or right issue since its incorporation.

28. Neither the Lead Manager, nor their associates hold any Equity Shares of our Company as on the date of the Draft Prospectus.

29. Our Company shall ensure that transactions in the Equity Shares by the Promoter and the Promoter Group between the date of registering Prospectus with the Registrar of Companies and the Issue Closing Date shall be reported to the Stock Exchanges within twenty-four hours of such transaction.

SECTION IV - PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

The objects of the Issue are as follows:

1. Setting up shrimp processing Unit and Individually Quick Frozen(IQF) Shrimp products,
2. General Corporate Purpose
3. Meeting Public Issue Expenses.

The other Objects of the Issue also include creating a public trading market for the Equity Shares of our Company by listing them on the SME platform of BSE. We believe that the listing of our Equity Shares will enhance our visibility and brand name and enable us to avail of future growth opportunities.

The main object clause of Memorandum of Association of our Company enables us to undertake the existing activities and the activities for which the funds are being raised by us through the present Issue. Further, we confirm that the activities which we have been carrying out till date are in accordance with the object clause of our Memorandum of Association.

Cost of Project and Means of Finance

The Cost of Project and Means of Finance as estimated by our management are given below:

Cost of Project

(₹ In lacs)

Sr. No.	Particulars	Amount
1.	Setting up shrimp processing Unit and Individually Quick Frozen(IQF) Shrimp products	5146.30
2.	General Corporate Purpose	123.20
3.	Public Issue Expenses	50.00
	Total	**5319.50**

Means of Finance

(₹ In lacs)

Sr. No.	Particulars	Amount
1.	Proceeds from Initial Public Offer	1475.50
2.	Term Loan from Bank	2000.00
3.	Internal Accruals	1000.00
4.	Unsecured Loans	844.00
	Total	**5319.50**

We propose to meet the requirement of funds for the stated objects of the Issue from the Net Proceeds. Hence, amount equal to 75% of the stated means of finance is required to be raised through means other than the Issue Proceeds and Internal Accruals. Accordingly, the requirements under Regulation 4 (2) (g) of the SEBI ICDR Regulations and Clause VII C of Part A of Schedule VIII of the SEBI ICDR Regulations (which requires firm arrangements of finance through verifiable means for 75% of the stated means of finance, excluding the Issue Proceeds and existing identifiable internal accruals) have been made.

Our fund requirements and deployment thereof are based on the estimates of our management. These are based on current circumstances of our business and are subject to change in light of changes in external circumstances or costs, or in our financial condition, business or strategy. Our management, in response to the dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirement and deployment of funds may also change. This may also include rescheduling the proposed utilization of Proceeds and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Proceeds. In case of a shortfall in the Net Proceeds, our management may explore a range of options which include utilisation of our internal accruals, debt or equity financing. Our management expects that such alternate arrangements would be available to fund any such shortfall.

No part of the issue proceeds will be paid as consideration to Promoter, Promoter Group, Group Entities, directors, Key Managerial Personnel and associates.

Brief Details about the Project

The Company at present is engaged in shrimp farming viz. white shrimps and tiger Shrimps. In addition to Shrimp farming our Company is engaged in trading of Shrimp feeds. The Company is planning to integrate forward by setting up shrimp processing and Individually Quick Frozen(IQF) Shrimp products near Surat.

DETAILED BREAK UP OF THE PROJECT COST

(A) Setting up of a shrimp processing and Individually Quick Frozen(IQF) Shrimp products

The overall project cost has been estimated at Rs. 5146.30 Lacs, which is estimated as under:

(₹ In lacs)

Sr. No.	Major Heads of Expenditure	Amount
1.	Land	83.89
2.	Building & Civil Work	1500.00
3.	Plant & Machinery	
	Imported Plant and Machinery	1078.75
	Indigenous Plant and Machineries	1479.70
4.	Preliminary and preoperative expenses	200.05
5.	Working capital Margin	803.91
	Total	**5146.30**

1. Acquisition of Land

Our Company has acquired land admeasuring 35076 Sq. Mtrs. at Block No. 345/B/6, Village Orma, Taluka- Olpad, Surat. The Company had purchased the land from Mr. Shantilal Patel , one of the director of the Company and entered in to Sale agreement dated January 25, 2016. The total cost of land is ₹ 83.89 lacs which includes Stamp duty(₹ 11.17 lacs) and Registration charges(₹ 0.72 lacs).

The Company had taken on lease the land admeasuring 14569 Sq.Mts at Block/Survey No. 347, Khata No. 319, Village Orma, Olpad, Surat on leasehold basis from Mr. Shantilal Patel for 90 years commencing from June 01, 2015.

2. Building & Civil Works

The overall cost of building and civil works to construct the factory shed has been estimated ₹ 1500.00 Lacs.

Our Company has received quotation from Aruna Constructions, for Building and Civil Works, which is as under:

Sr. No.	Description	Area Sq.Mt or Unit.	Unit Rate(In ₹)	Cost (₹ in Lacs)
A	**Plant Building and Infrastructure**			
1.	Shrimp Processing Main Building including receiving Dock & temperature Control Sorting/Processing are at GF with Double Height steel Roof with false Ceiling & Insulated walls	4313.01	12500.55	539.15
2.	Occupational Health centre GF	280	5000	14.00
3.	Qc lab and other Processing FF	2422.84	6500	157.5
4.	Workers Canteen FF	280	4000	11.20
5.	Office Building	400	7000	28.00
6.	Quality Control	300	8000	24.00
7.	IQF Cold Storage 2 Nos Size 18*22.5 mtr*4.5 mtr height PU Panels	800	9000	72.00
8.	Temperature Control Area for Dispatch	205	7000	14.35
9.	Misc Civil Work MC Foundation etc	Lot	L.S	3.66

	Built up area for GF +FF			863.86
B	**Non Plant Buildings**			
10.	Parking Area for Ambulance	371.33	3000	11.14
11.	Common Open plot Landscape	4750	1000	47.50
12.	Internal Roads	1600	2500	40.00
13.	Labor Quarters cum training centre	6000	7000	420.00
14.	Labor Toilet Blocks for Residential Staff	750	3000	22.50
15.	Compound Wall and Gate	255 RMT	2000	50.00
16.	Under ground Water Tank sump 300Kl	300M^3	10Lts	30.00
	Architect Supervision fees			15.00
	Total Area and Amount of Civil Work in Rs.			**1500.00**

3. Plant & Machinery

The total cost of plant & Machinery including installation and transportation charges is Rs. 2558.45 lacs comprising of Imported machineries of Rs.1078.75 lacs and indigenous machineries of Rs.1479.70 lacs and. The details of the Machinery to be purchased is given below. The total cost of plant and Machineries Include the Contingency amount of Rs. 232.28 lacs on account of the majority of machineries are going to be imported. The cost of Duty has been not included in the cost of imported plant and machinery as the company is going to import the plant and machineries under EPCG scheme. The Company has not made any application for EPCG license.

IMPORTED MACHINERIES

Sr. No.	Description of Machine	Name of Supplier	Quantity	Currency	Rate	Conversion Rates on 12.05.2016	Amount (₹ in Lacs)	Order Place
1.	Shrimp Processing Plant (Including installation charges of Rs 34.22lacs)	CT-technologies, Denmark	1	Euro	467158	79.78	406.93	Yes
2.	Indeed Conveyor 750kg/hr	Asia Refrigeration Industry Co. Ltd, Vietnam	1	USD	11200			
a)	Impingement Mesh Belt IQF 750 kg/hr		1	USD	239000			
b)	Glazing Conveyor 900kg/hr		1	USD	15600			
c)	Hardening Conveyor 900kg/hr		1	USD	9656			
d)	Refreeze 900kg/hr		1	USD	85400			
e)	Contact Freezer A-CF-1000-264		2	USD	58800			
f)	Aluminum tray and top cover (3sets for 2 contact freezers)		1248	USD	16224			
g)	Packing ,Inland Transport, Sea Freight and insurance			USD	15100			
h)	Supervision and Trading fees			USD	14020			
	Total Cost			**USD**	**465000**	**68.36**	**317.87**	**Yes**
3.	Grading of Shrimps Cap upto 2 t/h	Cabin plant AS, Switzerland						
a)	Cabin plant Bulk Feeding Conveyor		1					

	with Belt of plastic Segments							
b)	Cabin plant Roller Grader with 2 Rollers Each lane		1					
c)	Cabin plant Conveyors with Segmented Plastic Belt Without Flights		5					
d)	Cabin plant Complete Control Panel		1					
e)	Cabin plant Startup of Equipment and training of Operators		1					
f)	Freight Charges			Euro	**173300**	79.78	138.26	Yes
4.	BWP-171 KW	Heat transform technology Ag	1	Euro	9750	79.78	7.78	
5.	Heating or low temperature coils	PT. Guntner Indonesia	14	Euro	63820	79.78	50.92	Yes
6.	EVAPCO cATC-415-Evaporative condenser (including freight and insurance charges	EVAPCO (Shanghai) Refrigeration Equipment co. LTD, shanghai		USD	86200	68.36	58.93	Yes
	Contingency 10 %						98.06	
	Total						**1078.75**	

Exchange Rate as per www.hdfcbank.com

Indigenous Machinery

Sr. No.	Particulars	Name of Suppliers	Quantity	Amount (₹ in Lacs)
1.	Processing plant electronic system	Swathi Enterprises, Vijaywada, India		287.26
2.	ETP Plant	Shree Ram Enviro Solutions	1	40.01
3.	Refrigeration system for fish processing plant including Excise Duty	FRICK India Limited		509.68
a)	Frick ref. package unit c/w comp. Model 250 VM-MB oil separator, oil cooler, 180 HP(132KW) IE2 TEFC VFD motor PLC panel, controls, piping, steel structure frame, etc with packing in knock down condition		1	
b)	Frick ref. package unit c/w comp. Model 250 VS-MB oil separator, oil cooler, 150 HP(110KW) IE2 VFD motor PLC panel, controls, piping, steel structure frame, etc with packing in knock down condition		1	
c)	Frick ref. package unit c/w comp. Model 200 VM-LE oil separator, oil cooler, 335 HP(250KW) IE2 VFD motor PLC panel, controls, piping, steel structure frame, etc with packing in knock down condition		2	
d)	Frick make packaged unit c/w compressor Model 454 XL, 1No. Each oil separator 16" Dia * 43" Long (SCR) 1 No, 75 Hp (55KW) IE2 VFD motor, steel structure frame, gauge cum control panel, piping , etc in knock down condition		1	
e)	Frick make LP Receiver of size 1524 mm Dia * 4267.2		1	

	mm long			
f)	Frick make LP Receiver of size 11828.8 mm Dia * 3657.6 mm long		2	
g)	FRICK make ACU SHA1646 with accumulator		4	
h)	THERMOSIPITHON RECIVER 508 mm Dia * 1500 mm long		1	
i)	FRICK make HP Receiver of size 1219 mm Dia * 5486.4 mm Long		2	
j)	Electrical control panel		1	
k)	PLC SCADA System		1	
4.	Kitchen Equipments	Dhaval Aqua Engineering		5.79
5.	complete 40TPD Tube ice Plant	Chirag Ice Factory Pvt Ltd	1	59.63
6.	500KVA Kirloskar green Make Silent D.G. Set	Sri Shakthi Power Systems	1	26.84
7.	GEA Flake Ice Generator Types F800 SBF NH+B98(SS Drum)	GEA Refrigeration India Pvt Ltd Vadodara	2	45.5
8.	Rack Supported Mezzanine Floor Storage System	Nilkamal Bito systems Private Limited	1	95.47
9.	Installation, Transportation, electrification, Vehicles and lab equipments	Misc Suppliers		275
10.	Contingency 10 %			134.22
	TOTAL			**1479.70**

4. **Preliminary and preoperative expenses :** The preliminary and preoperative expenses includes the interest during the construction period, establishment expenses and legal and documentation charges. The Company has estimated the preliminary and preoperative expenses amounting to Rs. 200.05 lacs which includes interest during the construction period amounting to Rs. 115.05 lacs and other establishment and legal charges amounting to Rs 85.00 lacs.

5. **Working capital Margin :** As per our internal estimate, the total working capital requirement in the 1st year of operation will be Rs. 3303.91 lacs The bank had considered the inventory and the debtors for financing the working capital and margin requirement for the same is 25% of the total fund requirement. Out of the total working capital requirement, the bank will finance the Rs. 2500.00 lacs and the balance amount of Rs. 803.91 lacs will be the working capital margin. Syndicate Bank, Allahabad Bank and Punjab National Bank had sanctioned the working capital limit of Rs. 1600.00 lacs, Rs.500.00 lacs and Rs. 400.00 lacs respectively for the project. In the first year of operation the working capital assessment is made assuming 40% capacity utilization of Plant capacity.

The Company has estimated the Working Capital Requirement, which is as under:-

(₹ in Lakhs)

	1st year of operation	
	Holding (No of Days)	Amount
Raw Material		
Work In progress	3	63.08
Finished Goods	21	565.29
Packing material	30	48.90
Debtors	90	2731.02
One month expenses	30	42.82
Total		**3451.11**
Creditors	7	147.20
Total W/c. Requirement		3303.91
Less : Margin for Working capital		803.91

Bank Borrowing		2500.00

Justification for Holding Level:

Particulars	1st year of operation	Justification
Inventories		
Work in Progress	3	Time required after receiving shrimp, washing, draining, sorting and grading
Finished Goods	21	Average 21 days stock of finished goods is considered due to export of entire production
Packing materials	30	Average 30 days packing material stock is considered
Debtors	90	On account of export of goods Average 90 days realization is considered
Creditors	7	Average 7 days credit period is considered

(B) General Corporate Purpose :

The application of the Issue proceeds for general corporate purposes would include but not be restricted to financing our working capital requirements, capital expenditure, deposits for renting or otherwise acquiring business premises, meeting exigencies etc. which we in the ordinary course of business may incur. 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 use Rs. 123.20 lacs for general corporate purposes.

(C) Public Issue Expenses

The expenses of this Issue include, among others, underwriting and management fees, selling commission, printing and distribution expenses, legal fees, advertising expenses and listing fees. The estimated Issue expenses are as follows:

(₹ in lacs)

Sr. No.	Particulars	Amount
1.	Payment to Merchant Banker including fees and reimbursements of Market Making Fees, selling commissions, brokerages, payment to other intermediaries such as Legal Advisors, Registrars, Bankers etc and other out of pocket expenses and regulatory fees.	40.00
2.	Printing & Stationery and Postage Expenses	2.50
3.	Marketing and Advertisement Expenses	2.50
4.	Regulatory fees and other expenses	2.50
5.	Other Miscellaneous expenses	2.50
	Total	50.00

Schedule of Implementation :

Particulars		
	Month of Commencement	Month of Completion
Acquisition of Land	Acquired	
Building & Civil Work	April 2014	August 2016
Plant & Machinery		
-Placement of Order	October 2014	September 2016
-Receipt of Plant and Machinery	September 2016	October 2016
-Erection and Commissioning	November 2016	December 2016
Trial Run Production	December 2016	
Commercial Production	January 2017	

Deployments of funds in the Project

Our Company has incurred the following expenditure on the project till April 30, 2016. The same has been certified by our statutory auditors Pary & Co, Chartered Accountants *vide* their certificate dated May 01, 2016.

Deployment of Funds

(₹ in lacs)

Sr. No.	Particulars	Amount Deployed
1.	Acquisition of Land	83.89
2.	Building Construction & Site Development	1100.00
3.	Plant and Machinery	400.00
	Total	**1583.89**

Sources of Funds

Sr. No.	Particulars	Amount Deployed
1.	Internal Cash Accruals	1000.00
2.	Unsecured Loan	100.00
3.	Unpaid invoices of building	151.00
4.	Extended credit from Suppliers	332.89
	Total	**1583.89**

Details of balance fund Deployment

The details of balance fund deployment is as under:

(₹ in Lacs)

Sr. No.	Particulars	Object of the Issue	Amount Spent Upto April 30, 2016	2016-17 (May 1, 2016 onwards)
1.	Land	83.89	83.89	Nil
2.	Building Construction and Civil Work	1500.00	1100.00	400.00
3.	Plant and Machineries	2558.45	400.00	2158.45
4.	Preliminary and preoperative expenses	200.05	Nil	200.05
5.	Working capital Margin	803.91	0.00	803.91
6.	General Corporate Purpose	123.20	NII	123.20
5.	Public issue Expenses	50.00	0.00	50.00
	Total	**5319.50**	**1583.89**	**3735.61**

Appraisal Report

None of the objects for which the Issue Proceeds will be utilised have been financially appraised by any financial institutions / banks.

Bridge Financing Facilities

We have currently not raised any bridge loans against the Net Proceeds. However, depending on business requirements, we might consider raising bridge financing facilities, pending receipt of the Issue Proceeds.

Interim Use of Funds

Pending utilization for the purpose described above, we intend to deposit the funds with Scheduled Commercial banks included in the second schedule of Reserve Bank of India Act, 1934. Our Management, in accordance with the policies established by our board of directors from time to time, will deploy the Net Proceeds. Further our Board of Directors hereby undertakes that full recovery of the said interim investments shall be made without any short of delays as and when need arises for utilization of proceeds for the objects of the Issue.

Variation on Objects

In accordance with Section 13(8) and 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the objects of the issue without our Company being authorised to do so by the shareholders by way of Special Resolution through postal ballot. Our promoters or controlling shareholders will 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 prescribed by SEBI, in this regard.

Shortfall of Funds

Any shortfall in meeting the cost will be met by way of internal accruals.

Monitoring of Issue proceeds

As the size of the Issue will not exceed ₹ 50,000 Lacs, the appointment of Monitoring Agency would not be required as per Regulation 16 of the SEBI ICDR Regulations. Our Board will monitor the utilization of the proceeds of the Issue.

Pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure (Requirements) Regulations, 2015, our Company shall on half-yearly basis disclose to the Audit Committee the Application of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement will be certified by the Statutory Auditors of our Company.

No part of the proceeds of this issue will be paid as consideration to our Promoters, Directors, Key Managerial Personnel or group concerns/companies promoted by our Promoters.

BASIS FOR ISSUE PRICE

The Issue Price is determined by our Company in consultation with the Lead Manager. The financial data presented in this section are based on our Companies restated financial statements. Investors should also refer to the sections titled "Risk Factors" and "Financial Information" on pages 9 and 135, respectively, of the Draft Prospectus to get a more informed view before making the investment decision.

Qualitative Factors

1. Promoter are engaged in shrimp farming business.
2. Well Experienced promoters.

For details of Qualitative factors please refer to the paragraph "Our Competitive Strengths" in the chapter titled "Our Business" beginning on page 76 of the Draft Prospectus.

Quantitative Factors

Information presented in this chapter is derived from our Restated Financial Statements

1. **Basic & Diluted Earnings Per Share (EPS)#:**

Period	Basic and Diluted EPS (₹)	Weightage
Fiscal 2013	9.40	1
Fiscal 2014	19.60	2
Fiscal 2015	10.02	3
Weighted Average	**13.11**	
December 31, 2015*	4.40	

*** Not annualized**

Note
Basic earnings per share (₹) = Net profit after tax (as restated) attributable to shareholders divided by Weighted average number of equity shares outstanding during the year.
The face value of each Equity Share is ₹ 10.

2. **Price to Earnings (P/E) ratio in relation to Issue Price** of ₹ 130:

Particulars	P/E at the Issue Price (₹ 130)
a. Based on 2014-15 EPS of ₹ 10.02	12.97
b. Based on weighted average EPS of ₹ 13.11	9.92

3. **Return on Net Worth#**

Period	Return on Net Worth (%)	Weights
Year ended March 31, 2013	13.85	1
Year ended March 31, 2014	21.54	2
Year ended March 31, 2015	15.84	3
Weighted Average	**17.41**	
*** December 31, 2015***	7.29	

*** Not annualized**

 # Return on net worth (%) = Net Profit after tax as restated / Net worth at the end of the year

4. **Minimum Return on increased Net Worth required to maintain pre-Issue EPS.**

The minimum return on increased net worth required maintaining pre-Issue EPS for the Fiscal 2015:

A) Based on Basic and Diluted EPS of ₹ 10.02

a. At the Issue Price of ₹ 130 - 12.01% based on restated financial statements.

B) Based on Weighted Average EPS of ₹ 13.11

a. At the Issue Price of ₹ 130– 15.71% based on restated financial statements.

5. **Net Asset Value per Equity Share**

Particular	Amount (in ₹)
As of March 31, 2015	63.27
As of December 31, 2015	66.24
NAV per Equity Share after the Issue	83.46
Issue Price per Equity Share	130.00

Net asset value per share (₹) = Net Worth at the end of the Year /Total number of equity shares outstanding at the end of the year

6. **Comparison of Accounting Ratios with peer group**

Name of the company	Standalone/ Consolidated	Face Value (₹)	EPS (₹) Basic	P/E Ratio*	RoNW (%)	NAV per Equity Share (₹)	Sales (₹ in Lacs)
Zeal Aqua Limited**	Standalone	10	10.02	12.97	15.84	63.27	17165.29
Peer Group #							
Avantee Feeds Limited	Standalone	10	128.35	3.51	44.85	286.18	178527.80
The Waterbase Limited	Standalone	10	5.06	17.11	19.67	25.70	27949.86

#Standalone

#The Figures of the Peer Group Company is taken from Annual Report for the Fiscal year 2014-15 filed on BSE website-www.bseindia.com

*P/E based on closing market price of May 10, 2016 is taken into consideration from BSE website (www.bseindia.com)

**Based on March 31, 2015 as per Restated Financial Statements.

7. The face value of Equity Shares of our Company is ₹ 10 per Equity Share and the Issue price is 13 times the face value.

8. The Issue Price of ₹ 130 is determined by our Company, in consultation with the Lead Manager is justified based on the above accounting ratios. For further details, please refer to the section titled "Risk Factors" and chapters titled "Our Business" and "Financial Information" beginning on page numbers 9, 76 and 135 respectively of the Draft Prospectus.

STATEMENT OF POSSIBLE TAX BENEFITS

To,
The Board of Directors,
Zeal Aqua LIMITED
Plot No 4-5, GIDC,
Olpad, Dist Surat,
Gujarat - 394540

Dear Sir,

Initial Public Offer of Equity Shares

Tax Benefits

We refer to the proposed Initial Public Offer of **Zeal Aqua LIMITED** and give below the current position of tax benefits available to the Company and to its shareholders as per the provisions of the Income –Tax Act,1961, for inclusion in Offer document for the proposed initial public issue.

The Benefits discussed in the statement are not exclusive. The current position of tax benefits available to the Company and to its Shareholders is provided for general information only. In view of the individual nature of tax benefits, each investor is advised to consult its own tax consultant with respect to the specific tax implications arising out of its participation in the issue.

Unless otherwise specified, sections referred to below are section of the Income Tax Act, 1961 (the "Act"). All the provisions set out below are subject to conditions specified in the respective section for the applicable period.

We do not express any opinion or provide any assurance as to weather:
• The Company and its shareholders will continue to obtain these benefits in future; or
• The conditions prescribed for availing the benefits have been / would be met with.

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

No assurance is given that the revenue authorities/ Courts will concur with the view expressed herein. Our views are based on existing provisions of law and its implementation, which are subject to change from time to time. We do not assume any responsibility to updates the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We are not liable to any other person in respect of this statement.

This certificate is provided solely for the purpose of assisting the addressee Company in discharging its responsibility under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

SPECIAL SPECIFIC TAX BENEFITS OF THE COMPANY
There are no special specific tax benefits available to the Company.

I. GENERAL TAX BENEFITS TO THE COMPANY (Under Income Tax Act)

1. In accordance with section 10(34), dividend income (referred to in section 115-O) will be exempt from tax.

2. In accordance with section 32(1), the Company can claim depreciation on specified tangible assets (being Building, Plant and Machinery, Furniture, Computer and vehicles) and intangible assets (being Knowhow, Copyrights, Patents, Trademarks, Licenses, Franchise or any other business or commercial rights of similar nature acquired on and after 1st April, 1998) owed by it and used for the purpose of its business.

3. In case of loss under the head "Profit and Gains from Business or Profession", it can be set-off with incomes of all heads except salary head and the excess loss after set-off can be carried forward for set-off with the business income of the next eight Assessment Years. The Following expenditure can be carried forwarded for unlimited life of the business of the Company
   a) Unabsorbed depreciation
   b) Unabsorbed capital expenditure on scientific research
   c) Unabsorbed expenditure on Family planning expanses.

4. If the Company invest in the equity shares of another Company or in the unit of an equity oriented fund, as per the provisions of Section 10(38), any income arising from the transfer of long term capital assets being an equity share in the Company is not includible in the total income if the transaction is chargeable to securities transaction tax.

   However, when the Company is liable to tax on book profits under section 115JB of the Act, the said income is required to be included in book profits and taken into account in computing the book profit tax payable under section 115JB.

5. Income received in respect of the units of mutual fund specified under clause 10(23D) or income received in respect of units from administrators of the specified undertaking or income received in respect of units from the specified Company is exempted from tax in the hands of the Company, under section 10(35) of I.T. Act.

6. In accordance with section 112, the tax on capital gains or transfer of listed shares, where the transaction is not chargeable to securities transaction tax, held as long term capital assets will be the lower of:
   - 20 percent (plus applicable surcharge and "Education Cess") of the capital gains as computed after indexation of the cost; or
   - 10 percent (plus applicable surcharge and "Education Cess") of the capital gains as computed without indexation of the cost.

7. In accordance with Section 111A capital gains arising from the transfer of short term asset being an equity shares of the Company and such transaction is chargeable to securities transaction tax, the tax payable on the total income shall be aggregate of
   (i) the amount of income tax calculated on such terms capital gains at the rate of 15 percent (plus applicable surcharge and "Education Cess") and
   (ii) the amount of income tax payable on balance amount of the total income as if such balance amount were the total income.

8. In accordance with section 35D, the Company is eligible for deduction in respect of specified preliminary expenditure incurred by the Company in connection with the present issue such as underwriting commission, brokerage, and other expenses or extension of its undertaking or in connection with setting up a new unit for an amount equal to 1/5th of such expenses for each of the five successive previous years beginning with the previous year in which the extension of the undertaking is completed or the new unit commences production or operation, subject to conditions and limits specified in that section.

9. In accordance with section 35DDA, the company is eligible for deduction in respect of payments made to its employees in connection with their voluntary retirement for an amount equal to 1/5th of the amount so paid for that previous year, and the balance in four equal installments for each of the succeeding previous years subject to conditions specified in that section.

10. In accordance with section 35, the Company is eligible for-• Deduction in respect of any expenditure (not being in the nature of capital expenditure) on scientific research related to the business subject to conditions specified in that section.
    • As per section 35(2AA) a deduction of 200% shall be allowed as a deduction of the sum paid by the Company, to a National Laboratory or a University or an Indian Institute of Technology or a specified person as specified in this section with a specific direction that the sum shall be used for scientific research undertaken under a programme approved in this behalf by the specified authority subject to condition specified in that section.

11. The amount of tax paid under section 115JB by the Company for any assessment year beginning on or after April 1, 2006 will be available as credit for ten years succeeding the assessment year in which MAT credit becomes allowable in accordance with the provision of section 115JAA of the ACT.

12. As per the provision of section 80G of the Act, the deduction will be available in the respect of donations to various charitable institutions and funds covered under that section, subject to fulfillment of the conditions specified therein.

13. Under section 36(1) (xv) of the Act, the Securities Transaction Tax paid by the Company in respect of the transactions , the income whereof is chargeable as Business Income will be allowable as deduction against such income.

SPECIAL TAX BENEFITS TO THE SHARE HOLDERS OF THE COMPANY
Nil

GENERAL TAX BENEFITS TO THE SHAREHOLDERS OF THE COMPANY
I. Under the Income Tax Act

A. Resident

1. In accordance with section 10(34), divided income declared, distributed or paid by the company (referred to in section 115-O) on or April 1, 2003 will be exempt from tax in the hands of the shareholders. Any income by way of dividend in excess of Rs. 10 lakh shall be chargeable to tax in the case of an individual, Hindu undivided family (HUF) or a firm at the rate of ten percent. The taxation of dividend income in excess of ten lakh rupees shall be on gross basis.

2. In accordance with section 10(38), any income arising from the transfer of a long term capital asset being an equity share in a company is not includible in the total income if the transaction is chargeable to securities transaction tax.

3. In accordance with section 112,the tax on capital gains on transfer of listed shares, where the transaction is not chargeable to securities transaction tax, held as long term capital assets will be the lower of:
    a) 20 percent (plus applicable surcharge and “Education Cess”) of the capital gains as computed after indexation of the cost; or
    b) 10 percent (plus applicable surcharge and “Education Cess’) of the capital gains as computed without indexation.

4. In accordance with section 111A capital gains arising from the transfer of a short term asset being an equity share in a company and such transaction is chargeable to securities transaction tax, the tax payable on the total income shall be the aggregate of (i) the amount of income tax calculated on such short term capital gain at the rate of 15 percent (plus application surcharge and “Education Cess”) and (ii) the amount of income tax payable on the balance amount of the total income as if such balance amount were the total income.

5. In accordance with section 54EC , long term capital gains arising on transfer of the shares of the company on which securities transaction tax is not payable , shall be exempt from tax if the gains are

invested within six months from the date of transfer in the purchase of a long term specified asset. The long term specified asset notified for the purpose of investment means notified bonds of Rural Electrification Corporation Ltd. (REC) and National Highway Authority of India (NHAI). Notification issued by Government of India specifies that no such bonds will be issued to a person exceeding Rs.50 Lacs. If only a part of the capital gain is so invested, the exemption would be limited to the amount of the capital gain so invested.

In accordance with section 54F, long-term capital gains arising on the transfer of the shares of the company held by an individual or Hindu Undivided Family on which securities transaction tax is not payable , shall be exempt from capital gains tax if the net consideration is utilized , with in a period of one year before , or two years after the date of transfer , in the purchase of a new residential house, or for construction of a residential house with in three years.

6. Under section 36(1)(xv) of the act. The securities Transaction Tax paid by the assessee in respect of the transactions, the income where of is chargeable as business Income, will be allowable as deduction against such income.

B. Non –Residents

a. In accordance with section 10(34), dividend income declared, distributed or paid by the company (referred to in 115 – o) will be exempt from tax.

b. In accordance with section 10 (38), any income arising from the transfer of a long term capital asset being an equity share in a company is not includible in the total income, if the transaction is chargeable to securities transaction tax.

c. In accordance with section 48, capital gains arising out of transfer of a capital asset being in the company, and such transaction is not chargeable to securities transaction tax, shall be computed by converting the cost of acquisition, expenditure in connection with such transfer and the full value of the consideration received or accruing as a result of the transfer into the same foreign currency as was initially utilized in the purchase of the shares and the capital gains computed in such foreign currency shall be reconverted into Indian currency, such that the aforesaid manner of computation of capital gains shall be applicable in respect of capital gains accruing/arising from every reinvestment their after and sale of shares or debentures of an Indian Company including the company.

d. In accordance with section 112, the tax on capital gains on transfer of listed shares, where the transaction is not chargeable to securities transaction tax, held as long term capital assets will be at the rate of 20% (plus applicable surcharge and “Education cess”).

e. In accordance with section 111A capital gains arising from the transfer of a short term asset being an equity share in a company and such transaction is chargeable to securities transaction tax, the tax payable on the total income shall be aggregate of (i) the amount of income – tax calculated on such short term capital gains at the rate of 15 percent (plus applicable surcharge and “Education cess”) and (ii) the amount of income – tax payable on the balance amount of the total income as if such balance amount were the total income.

f. In accordance with section 54EC , long term capital gains arising on transfer of the shares of the company on which securities transaction tax is not payable, shall be exempt from tax if the gains are invested within six months from the date of transfer in the purchase of a long- term specified asset. The long- term specified asset notified for the purpose of investment is notified bonds of Rural Electrification corporation Ltd (REC) and Nation Highways Authority of India (NHAI). Notification issued by Government of India specifies that no such bonds will be issued to a person exceeding ₹ 50 lacs.

If only a part of the capital gain is so invested, the exemption would be limited to the amount of the capital gain so invested.

g. In accordance with section 54F, long- term capital gains arising on the transfer of the shares of the company held by an individual or Hindu Undivided Family on which securities transaction tax is not payable, shall be exempt from capital gains tax if the net consideration is utilized, with in a period of

one year before, or two year after the date of transfer, in the purchase of a new residential house, or for construction of a residential house within three years.

h. Under section 36 (1) (xv) of the act, the amount of securities transaction tax paid by an assess in respect of taxable securities transactions offered to tax as “profits and gains of business or profession “shall be allowable as a deduction against such business income.

i. Under the provisions of section 195 of the Income Tax act , any income (not being an income chargeable under the head ‘Salaries’), payable to non – residents, is subject to withholding tax as per the prescribed rate in force , subject to the tax treaty. Accordingly income tax may have to be deducted at source in the case of a non resident at the rate under the domestic tax laws or under the tax treaty , whichever is beneficial to the assess unless a lower withholding tax certificate is obtained from the tax authorities .

j. The tax rates and consequent taxation mentioned above will be further subject to any benefits available under the Tax Treaty, if any, between India and the country in which the non – resident has fiscal domicile. As per the provisions of section 90(2) of the act, the provisions of the act would prevail over the provisions of the Tax Treaty to the extent they are more beneficial to the non-resident.

C. Non – Resident Indians

Further, a Non- Resident Indian has the option to be governed by the provisions of chapter xii-A of the Income – tax Act, According to which:

1. In accordance with section 115E, Where income includes income from investment or income from long-term capital gains or transfer of assets other than specified asset of the company, Investment Income shall be taxable at the rate of 20% (plus applicable surcharge and “Education Cess”) and income by way of long term capital gains in respect of assets other than a specified asset, shall be chargeable at 10% plus applicable surcharge and “Education Cess”)

2. In accordance with section 115F, subject to the conditions and to the extent specified therein, long – term capital gains arising from transfer of shares of the company acquired out of convertible foreign exchange, and on which securities transaction tax is not payable, shall be exempt from capital gains tax if the net consideration is invested within six months of the date of transfer in any specified asset or any saving certificates referred to in clause 4B of section 10 of income tax act, 1961, subject to the conditions specified in that section.

3. In accordance with section 115G, it is not necessary for a Non – Resident Indian to file a return of income under section 139(1), if his total income consists only of investment income earned on shares of the company acquired out of convertible foreign exchange or/and income by way of long-term capital gains earned on transfer of shares of the company acquired out of convertible foreign exchange, and the tax has been deducted at source from such income under the provisions of chapter xvii – B of the Income Tax Act.

4. In accordance with section 115-I,where a Non Resident Indian opts not to be governed by the provisions of chapter XII-A for any assessment year, his total income for that assessment year (including income arising from investment in the company)will be computed and tax will be charged according to other provisions of the Income Tax act.

5. As per section 115H of the Act, where a non-resident Indian becomes assessable as a resident in India, he may furnish a declaration in writing to the Assessing Officer, along with his return of income for that year under section 139 of the Act to the effect that the provisions of Chapter XII-A shall continue to apply to him in relation to such investment income derived from the specified assets for that year and subsequent assessment years until such assets are converted into money.

D. Foreign Institutional Investors (FIIs)

1. In accordance with section 10(34) , dividend income declared ,distributed or paid by the Company (referred to in section 115-O) on or after April 1,2003 will be exempt from tax in the hands of Foreign Institutional Investor (FIIs).

2. As per section 10(38) of the Act ,long term capital gains arising from the transfer of a long term capital asset being an equity share in a Company or a unit of an equity oriented fund , where such transaction is chargeable to securities transaction tax will be exempt.

3. As per provisions of section 115AD of the Act ,income (other than income by way of dividends referred to Section 115 –O) received in respect of securities (other units referred to section 115 AB) is taxable at the rate of 20% (plus applicable surcharge and education cess).

4. As per provisions of section 115AD of the Act read with section 111 A of the Act ,short term capital gains arising from the sale of Equity shares of the company transacted through a recognized stock exchange in India ,where such transaction is chargeable to securities transaction tax, will be taxable at the rate of 15% (plus applicable surcharge and education cess).

5. As per section 115 AD of the Act, FIIs will be taxed on the capital gains that are not exempt under the provisions of section 10(38) of the Act at the following rates :
   (a) Long term Capital Gains 10 %
   (b) Short term capital gains (other than referred to in section 111A) 30%
   *(plus applicable surcharge and education cess)

6. In case of long term capital gains (in cases not covered under section 10(38) of the Act), the tax is levied on the capital gains computed without considering the cost indexation and without considering foreign exchange fluctuation.

7. The tax rates and consequent taxation mentioned above will be further subject to any benefits available under the Tax Treaty, if any between India and the country in which the FII has fiscal domicile. As per the provisions of section 90(2) of the Act, the provisions of the Act would prevail over the provisions of the Tax Treaty to the extent they are more beneficial to the FII.

8. Under section 54 EC of the Act and subject to the conditions and to the extent specified therein ,long term capital gains (other than those exempt under section 10(38) of the Act) arising on the transfer of shares of the company would be exempt from tax if such capital gains in invested within six months after the date of such transfer in the bonds (long term specified assets) issued by:
   I. National Highway Authority of India constituted under section 3 of the National Highway Authority of India Act,1988;
   II. Rural Electrification Corporation Limited, the company formed and registered under the Companies Act, 1956.

   If only part of the capital gains is on reinvested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gains. The cost of the long term specified assets, which has been considered under this section for calculating capital gains, shall not be allowed as a deduction from the income tax under section 80C of the Act.

E. Mutual Funds

In accordance with section 10(23D), any income of

i. A mutual fund registered under the Securities and Exchange Board of India Act 1992 or regulations made there under;
ii. Such other Mutual fund set up by a public sector bank or a public financial institutions or authorized by the Reserve Bank of India subject to such conditions as the Central government may, by notification in the Official Gazette, specify in this behalf will be exempt for income tax.

Notes:

1. All the above benefits are as per the current tax law as amended by the Finance Act, 2016 and will be available only to the sole/ first named holder in case the shares are held by joint holders.

2. In respect of non residents, taxability of capital gains mentioned above shall be further subject to any benefits available under the Double Taxation Avoidance Agreements, if any, between India and the country in which the non-resident has fiscal domicile.

3. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor, with respect to specific tax consequences of his/her participation in the issue.

4. The above statement of possible direct and indirect taxes benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of Equity Shares.

We hereby give our consent to include our above referred opinion regarding the tax benefits available to the Company and to its shareholders in the offer document which the Company intends to submit to the Securities and Exchange Board of India, Mumbai.

Date: May 15, 2016
Place: Ahmedabad

For, Bhagat & Co,
Chartered Accountants

Shankar Bhagat
Partner
Membership No. 52725
FRN:127250W

SECTION V - ABOUT US

INDUSTRY OVERVIEW

Disclaimer: Pursuant to the requirements of the SEBI ICDR Regulations, the discussion on the business of Our Company in this Draft Prospectus consists of disclosures pertaining to industry grouping and classification. The industry grouping and classification is based on our Company's own understanding and perception and such understanding and perception could be substantially different or at variance from the views and understanding of third parties. Our Company acknowledges that certain product/services described in the Draft Prospectus could be trademarks, brand names and/ or generic names of products owned by third parties and the reference to such trademarks, brand names and/or generic names in the Draft Prospectus is only for the purpose of describing the products. The industry data has been collated from various industry and/or research publications and from information available from the World Wide Web. The information in this section is derived from various government/Industry Association publications and other sources. Neither we, nor any other person connected with the issue has verified this information. Industry sources and publications 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.

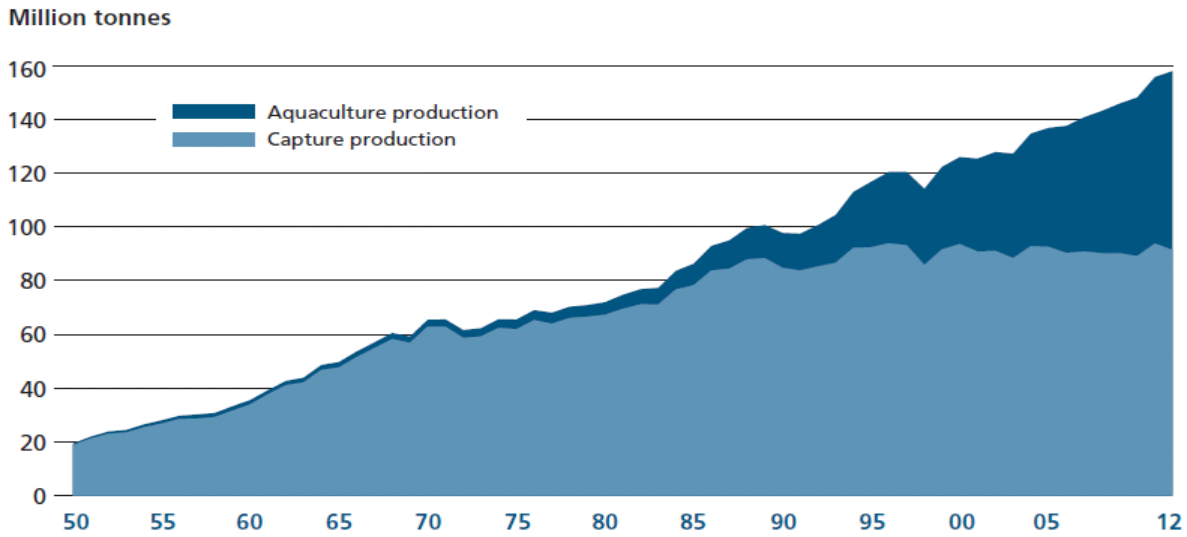
APPROACH TO AQUACULTURE INDUSTRY

Aquaculture continues to be the fastest growing animal food-producing Industry Aquaculture also known as aqua farming is the farming of aquatic organisms including fish, molluscs, shrimps/prawns and aquatic plants. Farming implies some form of intervention in the rearing process to enhance production, such as regular stocking, feeding, protection from predators, etc. Farming also implies individual or corporate ownership of the stock being cultivated. For statistical purposes, aquatic organisms which are harvested by an individual or corporate body which has owned them throughout their rearing period contribute to aquaculture while aquatic organisms which are exploitable by public as a common property resource, with or without appropriate licences, are the harvest of fisheries

World Aquaculture production in 2012 was 90.43 million tonnes including 66.63 million tonnes of food fish , 23.78 million tonnes of aquatic algae (mostly marine macro algae/ seaweeds), and 22.4 thousand tonnes of non food products (pearls & shells etc.). On global average, aquaculture supplied 9.41 of food fish per person for consumption in 2012. However, production distribution is extremely uneven across the globe and on all continents owing to the imbalance development.
Source: - ftp://ftp.fao.org/fi/stat/Overviews/AquacultureStatistics2012.pdf

GLOBAL AQUACULTURE INDUSTRY

Global fish production has grown steadily in the last five decades, with food fish supply increasing at an average annual rate of 3.2 percent, outpacing world population growth at 1.6 percent. World per capita apparent fish consumption increased from an average of 9.9 kg in the 1960s to 19.2 kg in 2012. This impressive development has been driven by a combination of population growth, rising incomes and urbanization, and facilitated by the strong expansion of Aquaculture production and more efficient distribution channels. China has been responsible for most of the growth in fish availability, owing to the dramatic expansion in its fish production, particularly from aquaculture. Its per capita apparent fish consumption also increased an average annual rate of 6.0 percent in the period 1990–2010 to about 35.1 kg in 2010. Annual per capita fish supply in the rest of the world was about 15.4 kg in 2010 (11.4 kg in the 1960s and 13.5 kg in the 1990s).Despite the surge in annual per capita apparent fish consumption in developing regions (from 5.2 kg in 1961 to 17.8 kg in 2010) and low-income food-deficit countries (LIFDCs) (from 4.9 to 10.9 kg), developed regions still have higher levels of consumption, although the gap is narrowing. A sizeable and growing share of fish consumed in developed countries consists of imports, owing to steady demand and declining domestic fishery production. In developing countries, fish consumption tends to be based on locally and seasonally available products, with supply driving the fish chain. However, fuelled by rising domestic income and wealth, consumers in emerging economies are experiencing a diversification of the types of fish available owing to an increase in fishery imports.
World capture fishers and aquaculture production



World food fish aquaculture production expanded at an average annual rate of 6.2 percent in the period 2000–2012 (9.5 percent in 1990–2000) from 32.4 million to 66.6 million tonnes. In the same period, growth was relatively faster in Africa (11.7 percent) and Latin America and the Caribbean (10 percent). Excluding China, production in the rest of Asia grew by 8.2 percent per year (4.8 percent in 1990–2000). The annual growth rate in China, the largest aquaculture producer, averaged 5.5 percent in 2000–2012 (12.7 percent in 1990–2000). In 2012, production in North America was lower than in 2000.

Global aquaculture production attained another all-time high of 90.4 million tonnes (live weight equivalent) in 2012 (US$144.4 billion), including 66.6 million tonnes of food fish and 23.8 million tonnes of aquatic algae, with estimates for 2013 of 70.5 million and 26.1 million tonnes, respectively. China alone produced 43.5 million tonnes of food fish and 13.5 million tonnes of aquatic algae that year. Some developed countries, e.g. the United States of America, have reduced their aquaculture output in recent years, mainly owing to competition from countries with lower production costs .An important change in trade patterns is the increased share of developing countries in fishery trade. Developing economies saw their share rise to 54 percent of total fishery exports by value in 2012, and more than 60 percent by quantity (live weight). Although developed countries continue to dominate world imports of fish and fishery products, their share has decreased. Exports from developing countries have increased significantly in recent decades also thanks to the lowering of tariffs. This trend follows the expanding membership of the World Trade Organization (WTO), the entry into force of bilateral and multilateral trade agreements, and rising disposable incomes in emerging economies. However, several factors continue to constrain developing countries in accessing international markets.
Source: -http://www.fao.org/3/a-i3720e/i3720e01.pdf

OVERVIEW OF INDIAN ECONOMY

In the coming year, real GDP growth at market prices is estimated to be about 0.6-1.1 percentage points higher vis-a-vis 2014-15. This increase is warranted by four factors. First, the government has undertaken a number of reforms and is planning several more. Cumulative growth impact of these reforms will be positive. A further impetus to growth will be provided by declining oil prices and increasing monetary easing facilitated by ongoing moderation in inflation. Simulating the effects of tax cuts, declining oil prices will add spending power to households, thereby boosting consumption and growth. Oil is also a significant input in production, and declining prices will shore up profit margins and hence balance sheets of the corporate sector. Declining input costs are reflected in the wholesale price index which moved to deflation territory in January 2015.

Further decline in inflation and the resulting monetary easing will provide policy support for growth both by encouraging household spending in interest-sensitive sectors and reducing the debt burden of firms, strengthening their balance sheets. The final favourable impulse will be the monsoon which is forecast to be normal compared to last year. Using the new estimate for 2014-15 as the base, this implies growth at market prices of 8.1- 8.5 percent in 2015-16. The power of growth to lift all boats will depend critically on its employment creation potential.

Reforms

In the months ahead, several reforms will help boost investment and growth. The budget should continue the process of fiscal consolidation, embedding actions in a medium-term framework. India's overall revenue-to-GDP ratio (for the general government) for 2014 is estimated at 19.5 percent by the IMF. This needs to move toward levels in comparator countries—estimated at 25 percent for emerging Asian economies and 29 percent for the emerging market countries in the G-20.
Since assuming office in May 2014, the new government has undertaken a number of new reform measures whose cumulative impact could be substantial.
Source: - http://pibnews.blogspot.in/2015/08/economic-survey-2015-volume-1-original.html

About Indian Fisheries

Indian fisheries and aquaculture is an important sector of food production, providing nutritional security to the food basket, contributing to the agricultural exports and engaging about fourteen million people in different activities. With diverse resources ranging from deep seas to lakes in the mountains and more than 10% of the global biodiversity in terms of fish and shellfish species, the country has shown continuous and sustained increments in fish production since independence. Constituting about 6.3% of the global fish production, the sector contributes to 1.1% of the GDP and 5.15% of the agricultural GDP. The total fish production of 10.07 million metric tons presently has nearly 65% contribution from the inland sector and nearly the same from culture fisheries. Paradigm shifts in terms of increasing contributions from inland sector and further from aquaculture are significations over the years. With high growth rates, the different facets of marine fisheries, coastal aquaculture, inland fisheries, freshwater aquaculture, coldwater fisheries to food, health, economy, exports, employment and tourism of the country.

The country has 429 Fish Farmers Development Agencies (FFDAs) and 39 Brackish water Fish Farms Development Agencies (BFDAs) for promoting freshwater and coastal aquaculture. The annual carp seed production is to the tune of 25 billion and that of shrimp about 12 billion, with increasing diversification in the recent past. Along with food fish culture, ornamental fish culture and high value fish farming are gaining importance in the recent past. With over 2.4 lakh fishing crafts operating in the coast, six major fishing harbors, 62 minor fishing harbors and 1511 landing centers are functioning to cater to the needs of over 3.9 million fisher folk.

Fish and fish products have presently emerged as the largest group in agricultural exports of India, with 10.51 lakh tones in terms of quantity and Rs. 33,442 crores in value. This accounts for around 10% of the total exports of the country and nearly 20% of the agricultural exports. More than 50 different types of fish and shellfish products are exported to 75 countries around the world.

Indian Fisheries	
Global position	3rd in Fisheries 2nd in Aquaculture
Contribution of Fisheries to GDP (%)	1.07
Contribution to Agril. GDP (%)	5.15
Per capita fish availability (Kg.)	9.0
Annual Export earnings (Rs. In Crore)	33,441.61
Employment in sector (million)	14.0

Resources	
Coastline	8129 kms
Exclusive Economic Zone	2.02 million sq. km
Continental Shelf	0.506 million sq. km
Rivers and Canals	1,91,024 km
Reservoirs	3.15 million ha
Ponds and Tanks	2.35 million ha
Oxbow lakes and derelict waters	1.3 million ha
Brackishwaters	1.24 million ha
Estuaries	0.29 million ha

Source: - http://nfdb.gov.in/html/aboutus.htm

INDIAN AQUACULTURE INDUSTRY

Aquaculture in India is a very important economic activity and a flourishing sector with varied resources and potentials. Only after the Indian Independence, has fisheries together with agriculture been recognized as an important sector. The vibrancy of the sector can be visualized by the 11–fold increase that India achieved in fish production in just six decades, i.e. from 0.75 million tonnes in 1950-51 to 9.6 million tonnes during 2012–13. This resulted in an unparalleled average annual growth rate of over 4.5 percent over the years which have placed the country on the forefront of global fish production, only after China.

As the second largest country in aquaculture production, the share of inland fisheries and aquaculture has gone up from 46 percent in the 1980s to over 85 percent in recent years in total fish production. Freshwater aquaculture showed an overwhelming ten-fold growth from 0.37 million tonnes in 1980 to 4.03 million tonnes in 2010; with a mean annual growth rate of over 6 percent. Freshwater aquaculture contributes to over 95 percent of the total aquaculture production. The Freshwater aquaculture comprises of the culture of carp fishes, culture of catfishes (air breathing and non-air breathing), culture of freshwater prawns, culture of pangasius, and culture of tilapia.

In addition, in brackish water sector, the aquaculture includes culture of shrimp varieties mainly, the native giant tiger prawn (Penaeus monodon) and exotic white leg shrimp (Penaeus vannamei). Thus, the production of carp in freshwater and shrimps in brackish water from the bulk of major areas of aquaculture activity. The three Indian major carps, namely cattle (Cattle cattle), rohu (Labeo rohita) and mrigal (Cirrhinus mrigala) contribute the bulk of production to the extent of 70 to 75 percent of the total fresh water fish production, followed by silver carp, grass carp, common carp, catfishes forming a second important group contributing the balance of 25 to 30 percent. It is estimated that only about 40 percent of the available area of 2.36 million hectares of ponds and tanks has been put to use and an immense scope for expansion of area exists under freshwater aquaculture The national mean production levels from still-water ponds has gone up from about 600 kg/hectare/year in 1974 to over 2 900 kg/hectare/annum at present and several farmers are even demonstrating higher production levels of 8–12 tonnes/hectare/year .The technologies of induced carp breeding and poly culture in static ponds and tanks virtually revolutionized the freshwater aquaculture sector and turned the sector into a fast growing commercial sector. The developmental support provided by the Indian Government through a network of Fish Farmers' Development Agencies and Brackish water Fish Farmers' Development Agencies and the research and development programmes of the Indian Council of Agricultural Research (ICAR) have been the principal vehicles for this revolutionary development. In addition, additional support was also provided by various state governments, host of organizations and agencies like the Marine Products Export Development Authority, financial institutions, etc.

Vannamei prawns

Tiger Shrimp

Indian banana prawn

Source:http://www.fao.org/figis/pdf/fishery/countrysector/naso_india/en?title=FAO%20Fisheries%20%26amp%3B%20Aquaculture%20-%20National%20Aquaculture%20Sector%20Overview%20-%20India

BLUE REVOLUTION

There is a huge untapped potential in fisheries and aquaculture, which can contribute considerably to improve the livelihoods as also women empowerment. The future development of aquaculture depends on adoption of new and innovative production technologies, management and utilization of less utilized water resources and proper market tie-ups. Reservoir fisheries offers a major opportunity to enhance fish production in the country. In the marine sector, while the coastal fisheries have been fully exploited, deep-sea fisheries resources are yet to be harnessed. Diversification and high value produce will add new dimensions to this sector. Proper post-harvest handling, reduction of losses and hygienic primary processing are important to realize full potentials of the sector. Simultaneously, effective marketing arrangements are to be made to ensure adequate returns to the fishers and the farmers and also make available of good quality fish at affordable prices to the consumers. With these in view, an end-to-end

approach from ensuring proper input availability to efficient marketing is contemplated, for a 'win-win' situation for both the fish producer and the consumer. Set in this background, the National Fisheries Development Board (NFDB) would seek to realize the full potentials of Indian fisheries through coordination of different agencies and public-private partnerships.

Source: http://nfdb.gov.in/html/aboutus.htm

BUSINESS OVERVIEW

The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in the Draft Prospectus, including the information contained in the section titled "Risk Factors" on page 9 of the Draft Prospectus. In this chapter, unless the context requires otherwise, any reference to the terms "We", "Us" and "Our" refers to Our Company. Unless stated otherwise, the financial data in this section is as per our financial statements prepared in accordance with Indian Accounting Policies set forth in the Draft Prospectus.

Overview

Company Background

Our Company was incorporated as "Zeal Aqua Private Limited" at Surat under the provision of the Companies Act, 1956 vide certificate of incorporation dated March 6, 2009 issued by the Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Consequent upon the conversion of our Company to public limited company, the name of our Company was changed to "Zeal Aqua Limited" and fresh certificate of incorporation dated March 31, 2015 was issued by the Assistant Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U05004GJ2009PLC056270.

Our Promoters basically lead the way of aquaculture in Surat around 20 years ago and have individually started cultivation of shrimp with 2 ponds. After continues efforts in various innovation in the field of aquaculture, shrimp farming, satellite farming etc decided to give the business a corporate shape and to accomplish the thought, Our Promoters who were individually engaged in culturing shrimps joined hands in 2009 and incorporated our company "Zeal Aqua Private Limited" to make the business scalable and reap the benefits of synergy. In addition, the introduction of schemes of Government to allot coastal lands for aquaculture purposes to promote this industry and generate a source of revenue for farmers motivated our Promoters to have a vision to develop an advanced, sustained and fully integrated aquaculture system in Surat and also across India.

At present, our Company have approx 160 ponds spread over village Mor, Delasa, Mandorai, Katpore, Nesh, Dandi, Olpad, Orma, Bhagwa, Kantyajal, etc admeasuring area of approx 200 hectares of land wherein the land on which ponds are constructed for cultivation of shrimp by our Company is in accordance with collaboration agreements with various parities. In the year 2011, Mr. Rohan Navik, son of Mr. Pradeep Navik, promoter of our Company, joined the company as Whole time Director and since then he is also looking after the daily business affairs of the company.

In addition to shrimp farming, our Company is also engaged in satellite farming whereby our Company supplies inputs i.e shrimp feeds, shrimp seeds, probiotics and other aquaculture related products etc on credit to small farmers and buys shrimps from these farmers. Our Company has approx 1050 satellite farms. We deploy our specific quality control measures and the farmers under satellite farming are required to adhere to our farming standards. The satellite farming enables companies to scale up and multiply its production without putting up physical infrastructure on its own. This flexible model of shrimp production helps our Company to efficiently manage growing demand of shrimps.

After establishing the strong foothold in the shrimp farming and satellite farming activities, as a part of forward integration our Company is in process of setting up shrimp processing unit for their shrimp including cold storage and primarily to manufacture Individually quick frozen (IQF) shrimp products for which our company had already purchased land admeasuring area of 35076 sq meters and 14569 sq meter land on lease basis at Village Orma, Olpad, Surat. With the help of this proposed processing unit, Our company will be in a position to directly sell the finished product (consumable shrimp) to the export market. Thus, the proposed project is a logical forward integration for our Company and the same would help the Company to expand their global foot-prints and take the business ahead in the right direction.
In order to achieve our object of enhancing productivity, quality and minimize environmental degradation our Company has taken various measures such as introduction of PE Line Ponds, use of qualitative feeds, bio-security measures such as fencing and water management among others.

OUR COMPETITIVE STRENGTH

Vast experience over 20 years with sound market knowledge

Our promoters have been involved in aquaculture-shrimp farming since last 20 years, which has enabled us to successfully implement our growth strategies. We benefit from the rich experience of the promoters and their expertise in the field of aqua culture - shrimp cultivation, satellite farming etc. Our Company aims to develop an advanced, sustainable and fully integrated Aquaculture system.

Feeding Strategies

While shrimp health and harvest quality set the overall objectives, a number of different themes factor prominently in our Company's research and development (R&D) programs, each playing an important role in the development of the aquaculture business. Shrimp health is one of the keys to shrimp growth and survival, and is therefore an integral part of all R&D programs. Another very important theme in the R&D programs is harvest quality of shrimp in terms of flesh structure, taste, and nutritional value in human consumption.

Our Company is committed to continuously innovating feed development strategies, to better cater to different species' nutritional needs in the different stages of life cycle. Special research programs focus on the development of feed for new species, while others evaluate the physical quality of feed in terms of size, shape, crumble, dust, water absorption etc.

Improved Product performance

Our Company not only believes in growing in numbers of shrimps, but it believes in growing technologically and in an eco-friendly manner. The economics of shrimp farming is considerably dependent on feed performance. Hence, a primary objective of our company is to improve our product through the effective use of feed. Our product is evaluated on the basis of growth and feed conversion. Our Company believes in delivering the best quality shrimps, free from all kind of antibiotics and banned substances.

Ever growing demand of our products

Our Company's multifold growth in the past 5 years speaks of the high demand of our products, and our growth model. Shrimp being a food item, there shall be always be a growing demand trend for our product.

Effective bio-security measures

We have deployed effective bio-security measures to prevent the outbreak of disease amongst the shrimps and provide an environment which facilitates healthy growth of shrimps. Some of the measures include fencing of our ponds, use of aerators, water filtration, etc.

State of art infrastructure

Our Company has invested significant resources in the development of state of art infrastructure for farming of shrimps. Our Company has invested significant resources in PE lining of ponds and bio-security measures and has developed a scalable technology system. Our state of art infrastructure and farming practices have been recognized and have fetched us the following recognistions:

- CIFE award in year 2009-10
- Bhumi Nirman Award in 2011
- Fisheries excellence award by Doordarshan
- Best Farmers for L.Vannemai by MPEDA in 2013

SWOT Analysis

Strength	Weakness
✓ The Promoters have been involved in the business of aquaculture-shrimp farming, satellite farming since last 20 years. ✓ Shrimp being a food item, there shall be always be a growing demand trend for our	✓ This is Company's first foray into setting up a shrimp processing unit to manufacture Individually quick frozen (IQF) shrimp products. The Company needs to hire trained and professional people to manage its

product.	processing unit. ✓ Though, it is similar to agriculture in many respects, the recognition of aquaculture is not at par in evading governments approval in order to avail some of the benefits available to agriculture sector.
Opportunity ✓ Introduction of schemes of Government to allot coastal lands for aquaculture purposes to promote this industry and generate a source of revenue. ✓ The demand for sea food is increasing all over the world, particularly Indian seafood exports. One of the reasons being, seafood is considered as healthier compared to other forms of meat. India is gifted with long coast line ideally suited for development of seafood industry. ✓ The shrimp harvested from the own ponds and also from satellite farming will be bought to processing unit for further processing so as to sale it to the clients for the end use and thus it will improve the top line of our business. ✓ The processing unit is located at a distance of about 15 kms. from the city of Surat on State Highway connecting Olpad – Sarsa, at Village - Orma, which is an upcoming Industrial area on the outskirt of Surat City due to which our Company enjoys the good connectivity with different parts of the states. The site also has connectivity to National Highway No.8, which is also part of the upcoming Delhi-Mumbai Industrial Corridor (DMIC).	**Threat** ✓ The Company plans to export the shrimp from the proposed processing unit. Thus, they will be exposed to the risks from foreign exchange fluctuations to the extent it's exported. ✓ The aqua culture activity is dependent on climatic conditions prevailing during season to season, which is unpredictable. Natural calamities like floods, cyclones, during the culture season can have serious impact on the prospects of successful culture.

Our business strategy

1. Forward integration in business operations

We are in the process of setting up of an integrated cold storage facility which shall also include processing facilities. This is one of our major step towards forward integration in business operations. With the setting up of this facility, the shrimp harvested from our own ponds and also from satellite farming will be bought to processing unit for further processing so as to sale it to the clients for the end use and avenues to international market shall be opened for the Company.

2. Maintain and expand long-term relationships with clients

Our Company believes that business is a by-product of relationship. The business model is based on client relationships that are established over period of time rather than a project-based execution approach. Our Company believes that a long-term client relationship with large clients fetches better dividends. Long-term relations are built on trust and continuous maintaining of the requirements of the customers. It forms basis of further expansion for our Company, as we are able to monitor a potential product/ market closely.

3. Brand image

We would continue to associate ourselves with good quality customers and supply our product to their utmost satisfaction. We are highly conscious about our brand image and intend to continue our brand building exercise by providing excellent services to the satisfaction of the customers.

4. Enhancing existing production capacity and product quality

We aim at increasing our production capacity by building more ponds for producing shrimps and exploring regions of India. We believe quality service and products of global standards will be of utmost importance for customer retention and repeat-order flow. We intend to have close interaction with our customers in a bid to strengthen our relationships with them.

5. Optimal Utilization of Resources

Our Company constantly endeavors to improve our production process, skill up-gradation of workers, modernization of machineries and methods of feeding to harvest quality of shrimp . We regularly analyze our existing breed and its feed procurement policy and cultivation process to identify the areas of bottlenecks and correct the same. This helps us in improving our product through the effective use of feed.

6. Prime Location of our existing and processing unit

The proposed processing unit is located at a distance of about 15 kms. from the city of Surat on State Highway connecting Olpad – Sarsa, at Village - Orma, which is an upcoming Industrial area on the outskirt of Surat City due to which our Company enjoys the good connectivity with different parts of the states and which makes the movements of our products very easy and comfortable.

Location

Registered Office

Plot No 4-5, GIDC, Olpad, Dist. Surat, Gujarat - 394540.

Processing Unit

Our Company is in process of setting up processing unit at the following location-

Location	Product
Block No. 345/B/6, Village Orma, Taluka- Olpad, Surat.	Processing of harvested shrimp- Individually quick frozen (IQF) shrimp and storage of shrimp.
Block/Survey No. 347, Khata No. 319, Village Orma, Olpad, Surat	

Plant & Machinery, technology, Process etc

For details of Plant and Machinery please refer to chapter titled "Object of the Issue".

Technology

At present, our Company is using P E Lined Ponds and Earthen Ponds for cultivation of shrimps. In addition our Company has set us aerators which helps in maintaining the oxygen level in water. For further details please refer the business process appearing on page no. 84 of this Draft Prospectus.

Proposed Processing Unit

- ✓ In the Proposed processing unit the handling of Shrimp and production will be totally on load cell and electronically computerized control.
- ✓ The Plant to be zero discharge compliance using Sewage Treatment Plant and Effluent Treatment Plant.
- ✓ Waste water and sewage treatment with recycling technology, with application in flushing water plants/washing and cleaning process equipments etc.

Infrastructure facilities for Raw Materials and Utilities like Water, electricity etc.

Raw Material

Our Raw material requirement is mainly seed (Hatchery), Feed supplements and probiotics. The seed (Hatchery) is mainly procured from Chennai, Feed Supplements and Probiotics from Vapi and Andhra Pradesh, Hyderabad, Bharuch, Ahmedabad, Visakhapatanam, Mumbai,Villupuram.

Proposed Processing Unit:

The major Raw material required for the proposed processing Unit is Shrimp. The Company proposes the following supply chain arrangements for Shrimp procurement.

The Company has 160 ponds in accordance with collaboration agreements with various parties and 1050 satellite farms (owned by contract shrimp farmers) that they use for producing shrimps. They have developed a strong marketing network in this line of the business.

Quality Measures

The Company aspires to provide satisfaction to their customers and get positive response from them after experiencing their shrimp quality and quick services. We do have a policy for both raw material and finished products. Our Company adheres strictly on supplying quality products. We are specific about the quality of products produced by our Company and intensive care is taken to determine the standard of each and every shrimp dispatched from our site.

Power

Existing Unit: At present, our Company have approx 160 ponds spread over village Mor, Delasa, Mandorai, Cutpore, Nesh, Dandi, Olpad, Orna, Bhagwa, Udhana, etc admeasuring area of approx 200 hectares of land wherein the land on which ponds are constructed for cultivation of shrimp by our Company is in accordance with collaboration agreements with various parities. The electricity requirement is mitigate by purchase of electrify from Dakshin Gujarat Vij Co. Limited. In addition, our Company have installed generator for power back up.

Proposed Processing Unit: The Company needs 1250 HP connected power to run the proposed Shrimp processing unit and associated support infrastructure. The Company also proposes to purchase DG sets of 500 KVA to provide backup power for running Cold Storages and eliminate the possibility of interruption in IQF production line. HT power will be available from nearby Gujarat Electricity Board (GEB) substation.

Water

Existing: Our Company pumps in water from the local creeks to the reservoirs situated at the sites.

Proposed Processing Unit: Potable fresh water free of harmful microorganisms is required for processing, ice and sanitation purposes. The plant will be equipped with a water treatment system with a chorine dozer and water used for processing will be chilled to a temperature of +2°C. Water entering the system will be sufficiently pressurized preferably between 2 to 4 bar. The proposed unit will require approx. 15 KL Per hour of Chlorinated RO water, where Raw water input is estimated at 23 KL/ per hour. It is proposing to procure 15 M3/ hour RO Cum Chlorination plant. The chlorinated water will be used mainly for Raw Shrimp washing to reduce their bacterial count, up to permissible limit. Water will also be required for cooling towers, Ice plant and sanitary purpose for toilets and also for Potable (Drinking) use etc. Total estimated Water Requirement is estimated as 25 KL/ hour or say 600 KL per day.

Human Resources

Human resource is an asset to any industry, sourcing and managing. We believe that our employees are the key to the success of our business. We focus on hiring and retaining employees and workers who have prior experience in the Industry. We view this process as a necessary tool to maximize the performance of our employees.

As on April 30, 2016 we have the total strength of 26 permanent employees (including workmen) in various departments. Our Manpower is prudent mix of the experience and youth which gives us dual advantage of stability and growth.

We have not experienced any strikes, work stoppages, labour disputes or actions by or with our employees, and we have cordial relationship with our employees.

Collaborations, any Performance guarantee or assistance in marketing by the Collaborators

Our Company has entered into 24 collaboration agreement with various partnership firms and Company. The said Partnership firms are not registered with the Registrar of Firms. The partnership firms has contemplated a project of fisheries farm on the land on which our company is doing shrimp farming by developing farm and also securing good business for a fairly long period.

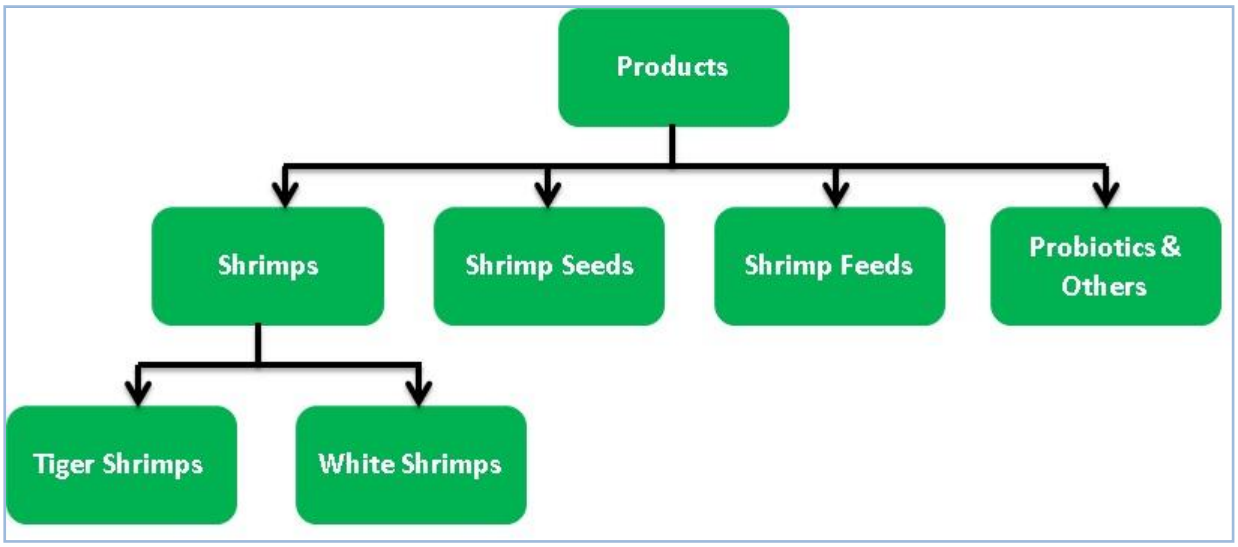
Name of Entity	Place of Registration/ Business	Collaboration Period	Total Turnover during FY 2014-2015 (Rs. In Lacs)
East Aqua Farm	Surat	April 1, 2016 to March 31, 2021	Nil
Dinkar Aqua Farm	Surat	April 1, 2016 to March 31, 2021	0.60
Dilip Aqua Farm	Surat	April 1, 2016 to March 31, 2021	0.60
Divy Aqua Farm	Surat	April 1, 2016 to March 31, 2021	0.60
Deep Aqua Farm	Surat	April 1, 2016 to March 31, 2021	0.60
Darshan Aqua Farm	Surat	April 1, 2016 to March 31, 2021	0.60
Akash Aqua Farm	Surat	April 1, 2016 to March 31, 2021	0.60
Agni Aqua Farm	Surat	April 1, 2016 to March 31, 2021	0.60
Jal Aqua Farm	Surat	April 1, 2016 to March 31, 2021	0.60
Pruthvi Aqua Farm	Surat	April 1, 2016 to March 31, 2021	0.60
Lotus Aqua Farm	Surat	April 1, 2016 to March 31, 2021	302.70
S R Aqua Farm	Surat	April 1, 2016 to March 31, 2021	5.92
Tapi Aqua Farm	Surat	April 1, 2016 to March 31, 2021	4.66
Manju Aqua Farm	Surat	April 1, 2016 to March 31, 2021	200.15
Chaitanya Aqua Farm	Surat	April 1, 2016 to March 31, 2021	Nil
Pink Gold Aqua Farm	Surat	April 1, 2016 to March 31, 2021	440.20
Jacob Foods Private Limited	Surat	April 1, 2016 to March 31, 2021	1285.22
Dhaval Aqua Farm	Surat	April 1, 2016 to March 31, 2021	2.67
Kimi Aqua Farm	Surat	April 1, 2016 to March 31, 2021	3.53
Preety Aqua Farm	Surat	April 1, 2016 to March 31, 2021	2.56
West Aqua Farm	Surat	April 1, 2016 to March 31, 2021	0
North Aqua Farm	Surat	April 1, 2016 to March 31, 2021	0
South Aqua Farm	Surat	April 1, 2016 to March 31, 2021	0
Vayu Aqua Farm	Surat	April 1, 2016 to March 31, 2021	0.60

Our Company has not enter into any Performance guarantee or assistance for marketing products of our Company.

OUR PRODUCTS

Our Product basket mainly consists of:

- ✓ Shrimps
- ✓ Shrimp Seeds
- ✓ Shrimp Feeds
- ✓ Probiotics & others



Detailed description of the products our Company deals in are as follows:-

TIGER SHRIMPS (PENAEUS MONODON)

Penaeus monodon are generally dark coloured, with the carapace and abdomen transversely banded with black and white The rest of the body is variable, ranging from light brown to blue or red, while some smaller specimens show a dull red dorsal strip from the rostrum to the sixth abdominal segment.

Our Company has been amongst the first producers to achieve a 20 shrimp count production, year after year in the state of Gujarat.

WHITE SHRIMP (L. VANNAMEI)

Whiteleg shrimp (Litopenaeus vannamei), also known as Pacific white shrimp, is a variety of prawn commonly caught or farmed for food.Litopenaeus vannamei grows to a maximum length of 230 millimetres (9.1 in), with a carapace length of 90 mm (3.5 in).

Our Company was the one of the first to Introduce L. Vannamei Culture in Gujarat, and has been among the first to achieve a 23 Count Shrimp Production.

SHRIMP SEEDS, FEEDS, PROBIOTICS & OTHERS

Our Company also deals in shrimp feeds, shrimp seeds, probiotics and other aquaculture related products.

OUR BUSINESS PROCESS

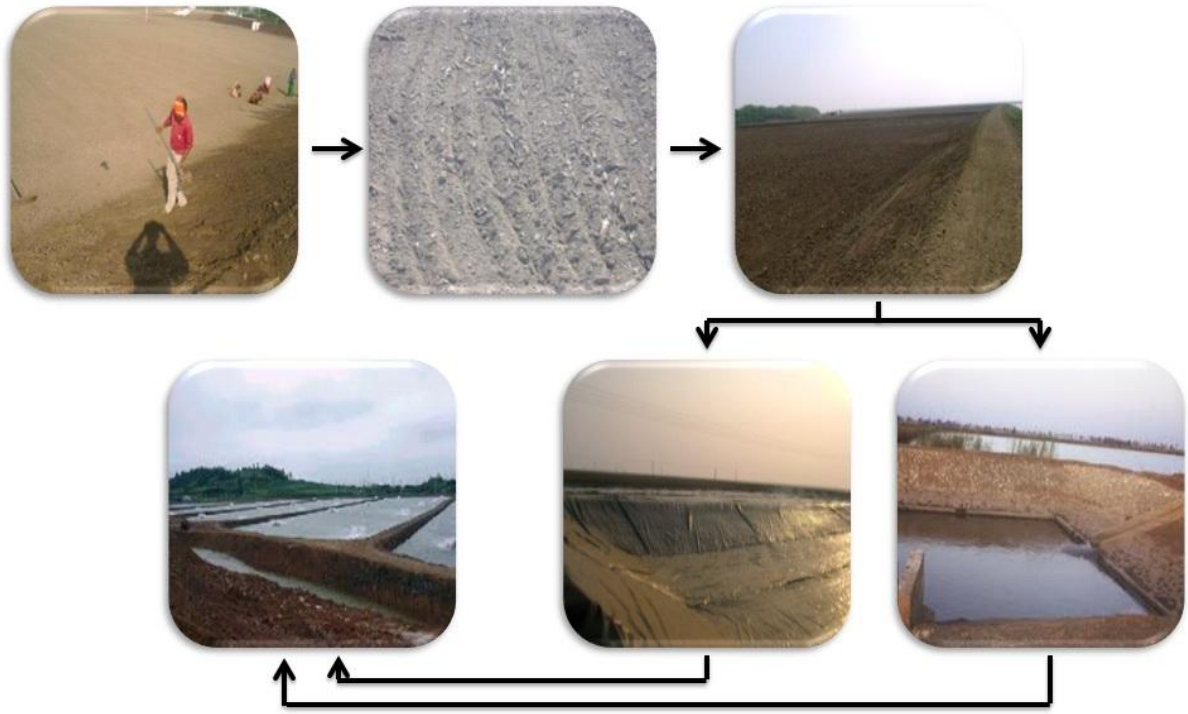
Process in brief:

Our Company has entered into collaboration with many third parties for usage of their land. At present we have agreements entitling us to use around 102 hectares of land. In addition to these collaborations, we have also made an application for allotment of land to the Government of Gujarat.

Our business process may be broadly divided into the following steps:

- Pond preparation
- Bio security measures
- Water filling and management
- Shrimp stocking & breeding
- Harvesting
- Sale

Pond Preparation



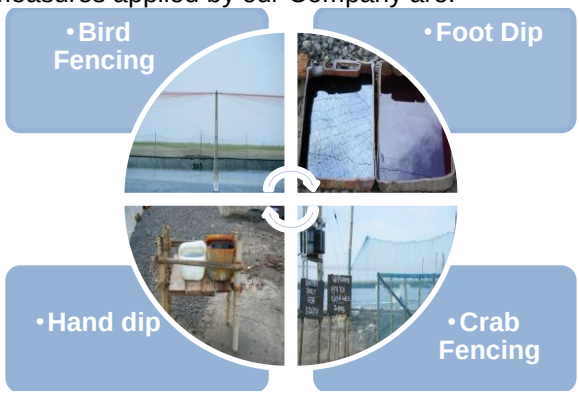
Our Company prepares two types of Ponds i.e. either Earthen Ponds or PE lined Ponds.

Pond preparation starts with the cleaning and removal of top soil on the land. Thereafter, the lands are dried and ploughed. After ploughing of land, land is leveled. Post leveling, the PE lining activity is undertaken in case a PE lined pond has to be prepared. Ponds are then, fertilized.

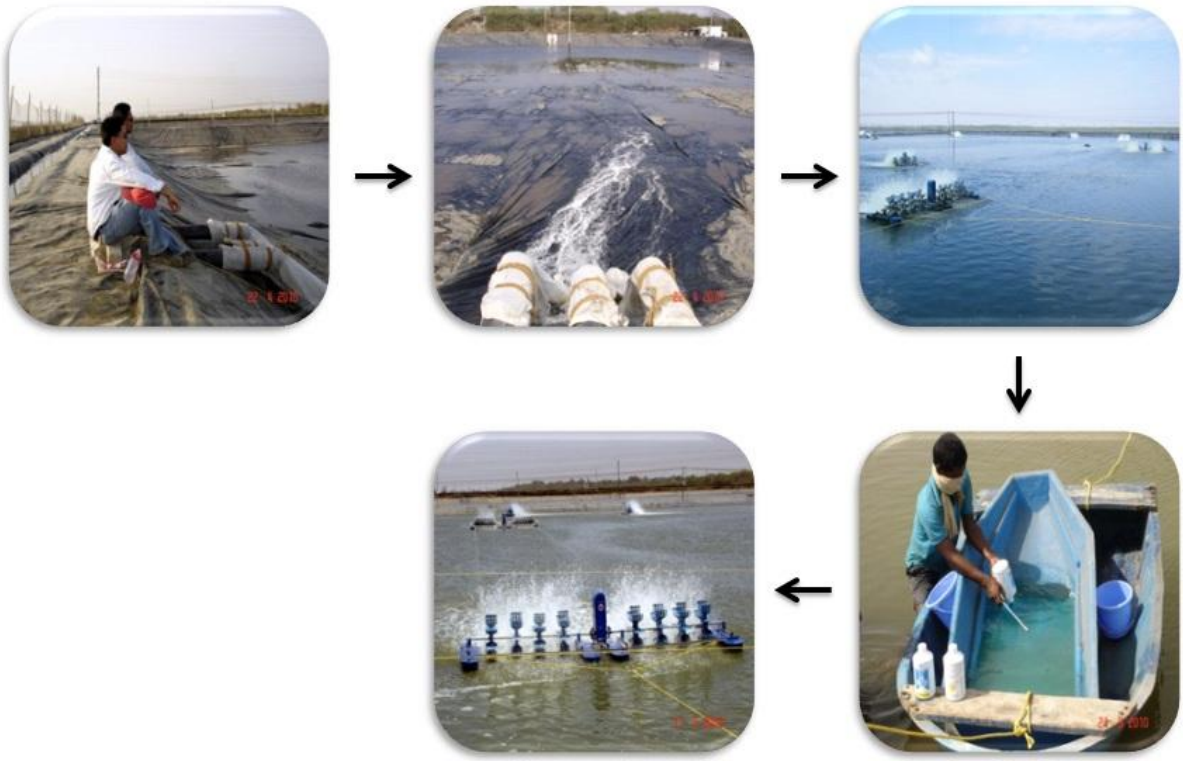
Once the ponds are prepared, the Company install bio-security measures at the sites.

Bio-security measures

Some of the bio-security measures applied by our Company are:

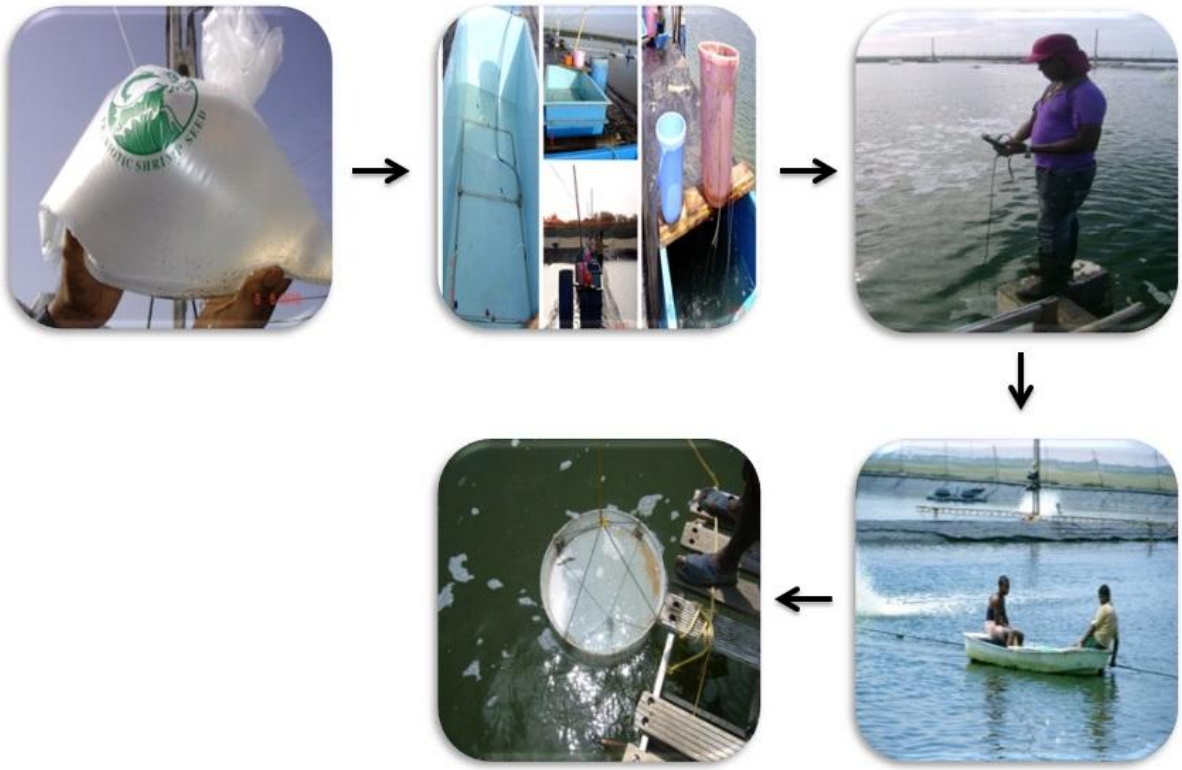


Water filling and water management



Once bio-security measures are installed at the site, the ponds are filled with water. Our Company pumps in water from the local creeks to the reservoirs situated at the sites. Before filling the water, water filtration process is carried out. Post pond filling, we set up aerators. These aerator helps in maintaining the oxygen level in the water. Water is then cheked for PH levels, salinity and chlorination levels. A proper water treatment programme is undertaken by our Company. Water treatment is followed by water culture.

Shrimp stocking and breeding



Our Company produces two kinds of shrimps i.e. Tiger shrimps (P. monodon) and White shrimps (L.Vannamei).

We procure seeds from hatcheries. These seeds are stocked using Hapa boats. Usual stocking size is Post larve (PL) 8-9 for L.Vannamei and PL 20 for P. monodon. Thereafter water quality is monitored. Water quality monitoring is an essential part in this process. Shrimp being a live product, any changes in desired PH levels, chlorination levels, etc. may hamper the growth of the shrimps. We make constant efforts to technologically upgrade this process. We have installed aerators, auto PH level checkers, etc. for monitoring the water quality. Also we have supervisors and technicians at various sites who oversee the process on regular basis. The shrimps are then feeded with feeds. At different levels of growth of shrimps, different kinds of feeds are provided to the shrimps. To prevent the shrimps from undue diseases, probiotics are also used in the process.

Harvesting

Post 120 days of stocking with shrimp seeds, the shrimps can be partially harvested. Before harvesting of seeds, the same is sample tested by MPEDA. Post 160-180 days, the shrimps are fully harvested. One of the important quality of our shrimps, is that they are free from antibiotics. After the shrimps are fully harvested, sludge disposal is carried out.

Sale of Shrimps

The shrimps are weighed and sold to the processing houses.

Marketing and Distribution Arrangement

Our success lies in the strength of our relationship with our customers who have been associated with our Company for a long period. Our promoters, Mr. Shantilal Patel and Mr. Pradeep Navik, through their vast experience and good relations with clients owing to timely and quality delivery of products plays an instrumental role in creating and expanding a work platform for our Company.

COMPETITION

We operate in a highly competitive market and there are large numbers of players in organized sector as well as in unorganized sector. We face competition from various domestic and international players. Our experience in this business has enabled us to provide quality products in response to customer's demand for best quality.

Capacity and Capacity Utilization

Existing

Since our company is into farming of shrimps which is a livestock, this data cannot be ascertained.

Capacity and Capacity Utilization of Proposed Processing Unit

Name of the Product	Installed Capacity (P.A) (In Kgs)	CAPACITY UTILIZATION		
		2017 (In Kgs.)	2018 (In Kgs.)	2019 (In Kgs.)
Processing of Shrimp (Head, Headless and Peeled Shrimp)	90,00,000	36,00,000	90,00,000	90,00,000
In %	100	40	100	100

*For a period of 3 months from January, 2017 upto March 31, 2017

Intellectual Property Rights

As on date of the draft prospectus we have registered our trade mark in name of "ZEAL" the details are as under:

Description	Class	Trademark No.	Validity
"ZEAL" (Word)	31	1961639	May 6, 2020

Our logo **is registered with the trademark authorities.**

Our logo is registered under the Copyright Act, 1957 with the Registrar of Trade mark Registry Ahmedabad. The detail of logo registered is as under:

Sr. No.	Class and description of work	Registration No.	Date of Registration
1	Zeal along with device of letter "Z"	A-114293/2015	October 30, 2015

Indebtedness

Our Company is availing following Working Capital and Term Loan facilities from the following bank, details of which are as under:-

Name of the Bank	Sanction Amount (Rs. In Lakhs)	Interest Rate	Consortium Outstanding as on December 31, 2015 (₹ In Lakhs)	Security (Combined Security)
Bank of India	**2000.00 Cash Credit**	4% over base rate p.a with monthly rests.	**3859.90**	**Primary:** First paripassu charge over entire stock, Book Debt and all other current Assets of company, Both present and future. **Collateral Securities:** **Property-1 belongs to Mr. Pradeep Ratilal Navik** All rights, title & interest in superstructure being stair cabin,
Allahabad Bank	**1300.00 Cash Credit**	3.25% over base rate p.a. with monthly rests.		
Punjab National Bank	**1200.00 Cash Credit**	4.50% over base rate p.a. with		

	297.00 Term Loan	monthly rests. For term loan base rate + 2.75%		duct of lift, passage & staircase admeasuring about 323.33 sq. ft (carpet area) on backside of Basement in the building "ROYAL ACCORD" together with proportionate undivided share in the land bearing land Revenue Survey no. 463/1 paiki, final plot no. 37 paiki, Town Planning scheme no. 11, Mouje Adajan, Taluka City, District Surat. **Property-2 belongs to Mr. Pradeep Ratilal Navik** All rights, title & interest in superstructure being stair cabin, duct of lift, passage & staircase admeasuring about 323.33 sq. ft (carpet area) on backside of Ground Floor in the building "ROYAL ACCORD" together with proportionate undivided share in the land bearing land Revenue Survey no. 463/1 paiki, final plot no. 37 paiki, Town Planning scheme no. 11, Mouje Adajan, Taluka City, District Surat. **Property-3 belongs to Mr. Pradeep Ratilal Navik** All rights, title & interest in superstructure being stair cabin, duct of lift, passage & staircase admeasuring about 323.33 sq. ft (carpet area) on backside of First Floor in the building "ROYAL ACCORD" together with proportionate undivided share in the land bearing land Revenue Survey no. 463/1 paiki, final plot no. 37 paiki, Town Planning scheme no. 11, Mouje Adajan, Taluka City, District Surat. **Property-4 belongs to Mr. Pradeep Ratilal Navik** All rights, title & interest in superstructure being Second Floor admeasuring about 3767 sq. ft (carpet area) in the building "ROYAL ACCORD" together with proportionate undivided in share admeasuring about 180 sq. mtrs

				in the land bearing land Revenue Survey no. 463/1 paiki, final plot no. 37 paiki, Town Planning scheme no. 11, Mouje Adajan, Taluka City, District Surat. **Property-5 belongs to Mr. Pradeep Ratilal Navik** All rights, title & interest in superstructure being Third Floor admeasuring about 3767 sq. ft (carpet area) in the building "ROYAL ACCORD" together with proportionate undivided in share admeasuring about 180 sq. mtrs in the land bearing land Revenue Survey no. 463/1 paiki, final plot no. 37 paiki, Town Planning scheme no. 11, Mouje Adajan, Taluka City, District Surat. **Property-6 belongs to Mr. Pradeep Ratilal Navik** All rights, title & interest in superstructure being Fourth Floor admeasuring about 1250 sq. ft (carpet area) together with adjoining terrace admeasuring about 2840 sq. ft. (carpet area) in the building "ROYAL ACCORD" together with proportionate undivided in share admeasuring about 120 sq. mtrs in the land bearing land Revenue Survey no. 463/1 paiki, final plot no. 37 paiki, Town Planning scheme no. 11, Mouje Adajan, Taluka City, District Surat. **Property-7 belongs to Mr. Pradeep Ratilal Navik** All rights, title & interest in the Flat No. G-1, Ground Floor in the Building “Varsova Sea Side premises Co-op Housing Society Ltd” constructed on the plot No. 17, CTS No. 1055, Jayprakash Road, andheri (West), Mumbai-400061. **Property-8 belongs to Mrs. Susan Pradeep Navik**

				All that the pieces and parcels of the land of bungalow no. 15 admeasuring about 215.615 sq. mtrs. Together with constructions thereupon on the ground and first floor admeasuring about 190.70 sq. mtrs in "SHREE SUGAM SOCIETY" of Shree Sugam Cooperative Housing Society Ltd., together with all easements, privileges, rights and benefits attached thereto or enjoyed therewith or appurtenant thereto , situated, being and lying on the land revenue survey no. 464/A paiki, Final plot No.1 & 3 paiki, Town Planning scheme No. 12, Mouje Adajan, Taluka City, District Surat. **Property-9 belongs to Mrs. Susan Pradeep Navik** All that the pieces and parcels of Flat no. 601 on the 6th Floor, admeasuring about 1150 sq. ft. (super built up area) in the building Jamna Apartment of Jamna Apartment Cooperative Housing Society Ltd., together with all easements, privileges, rights and benefits attached thereto or enjoyed therewith or appurtenant thereto , situated, being and lying on the land revenue survey no. 464/A paiki, Final plot No.1 & 3 paiki, Town Planning scheme No. 12, Mouje Adajan, Taluka City, District Surat. **Property-10 belongs to Mrs. Susan Pradeep Navik** All that the pieces and parcels of Flat no. 606 on the 6th Floor, admeasuring about 700 sq. ft. (super built up area 588 sq. ft.) in the building Ganga Jamna Apartment of Jamna Apartment Cooperative Housing Society Ltd., together with all easements, privileges, rights and benefits attached thereto or enjoyed therewith or appurtenant thereto , situated, being and lying on the

				land revenue survey no. 464/A paiki, Final plot No.1 & 3 paiki, Town Planning scheme No. 12, Mouje Adajan, Taluka City, District Surat. **Property-11 belongs to Mr. Pradeep Ratilal Navik & Mrs. Pradeep Ratilal Navik** All that the pieces and parcels of land building bearing Bungalow no. 11 admeasuring about 313.63 sq. mtrs of "SHREE SUGAM SOCIETY" situated on the land bearing Revenue Survey no. 461/3, 461/4 paiki & 462/1, Mouje Adajan, Taluka City, District Surat **Property-12 belongs to Mr. Shantilal Ishvarbhai Patel** All that the pieces and parcels of the land and building bearing Awas No. 46 & 47 admeasuring in aggregate 140.616 sq. mtrs together with constructions thereon, both present and future, together with all easements, privileges, rights and benefits attached thereto or enjoyed therewith or appurtenant thereto , situated, being and lying on the land revenue survey no. 5/A paiki, Block No.4 paiki, Mouje Jahangirpura, Taluka City, District Surat. **Property-13 belongs to Mr. Shantilal Ishvarbhai Patel** All that the pieces and parcels of the land and building bearing Awas No. 62 admeasuring about 80 sq. mtrs together with constructions thereon, together with all easements, privileges, rights and benefits attached thereto or enjoyed therewith or appurtenant thereto , situated, being and lying on the land revenue survey no. 14/A+B, Mouje Pisad, Taluka Choryasi, District Surat.

				Property-14 belongs to Mrs. Rashmiben Shantilal Patel All that the pieces and parcels of the land and building bearing Awas No. 38 admeasuring about 91.974 sq. mtrs together with constructions thereon, together with all easements, privileges, rights and benefits attached thereto or enjoyed therewith or appurtenant thereto , situated, being and lying on the land revenue survey no. 5/A, Block No.4 paiki Mouje Jahangirpura, Taluka City, District Surat. **Property-15 belongs to M/s. Zeal Aqua Pvt. Ltd.** All that the pieces and parcels of the leasehold land bearing Plot No. 4 & 5 admeasuring in aggregate 793 Sq. Mts together with constructions thereon and together with plant and machinery embedded to earth or permanently fastened to anything attached to earth and together with all easements privileges, rights and benefits attached thereto or enjoyed therewith or appurtenant thereto , situated, being and lyingat at Olpad Industrial Area of GIDC, Revenue Survey No. 6/P, Mouje Asnabad, Taluka Olpad, District Surat. **Property-16 belongs to Mrs. Rashmiben Shantilal Patel** All that the pieces and parcels of the non agriculture land admeasuring 546 sq. mtrs adjoining the land of Awas No. 62, together with constructions thereon, situate, being and lying on the non agriculture land revenue survey no. 14/A+B, situate, being and lying at Mouje Pisad Taluka Choryasi, District Surat together with all easements, privileges, rights and benefits attached thereto or

				enjoyed therewith or appurtenant **AGRICULTURAL LAND:** Agricultural Land at Block No. 470, 477, 478, 479, & 624 area standing in the name of Pradeep Navik

Our Company has been granted sanction of Term loan of Rs. 2000.00 Lakhs, and Working capital Limit of Rs. 2500 Lakhs, Bank guarantee of Rs. 100.00 Lacs for the setting shrimp processing unit at Block No. 345/B/6, Village Orma, Taluka- Olpad, Surat. under consortium financing with Syndicate Bank, Allahabad Bank and Punjab National Bank. The details of terms and conditions of sanction letter are as under:

Nature of Facility	Sanction Limit (₹ In Lakhs)	Interest rate / Commission	Repayment
Syndicate Bank			
Term Loan	700.00	Base Rate+2.50+0.25% i.e presently 12.45 p.a.	74 equal monthly installments of Rs. 9.33 lacs and 75 th installments of Rs. 9.58 Lacs starting from January 2017
Working Capital	1600.00	Base Rate+2.50% p.a. i.e presently 12.20 p.a.	-
Bank Guarantee	100.00	Commission as applicable	-
Sub Total (1)	**2400.00**		
Allahabad Bank			
Term Loan	600.00	Base Rate +3.25% Commission as per circularized instructions	75 equal installments of Rs. 8.00 lacs from January 2017 to March, 2023 with construction period of 7 months and with moratorium of 9 months after commencement date and commencement date is 01/04/2016
CC/PC/PSC-Working Capital	500.00	CC:BR+3.25% PC:BR+1.50% PSC:BR+1.50% Commission as per circularized instructions	
Sub Total (2)	**1100.00**		
Punjab National Bank			
Term Loan	700.00	Bas Rate +2.25%+TP 0.50% i.e. presently 12.35% p.a. with monthly rests subject to change from time to time as per RBI/HO guidelines and Credit	74 monthly installments of Rs. 9.33 lacs and 75th installment of Rs. 9.58 Lacs after moratorium of 9 months from the commencement date

		Risk Rating of Company.	and commencement date is 01/04/2016
Cash Credit	400.00	Bas Rate +2.25% i.e. 11.85% p.a. with monthly rests subject to change from time to time as per RBI/HO guidelines and Credit Risk Rating of Company.	
Sub Total (3)	**1100.00**		
Grand Total (1)+(2)+(3)	**4600.00**		

Details of Immovable Property:

The details of the Owned properties and leased properties is given below:

Land:

Particulars	Details
Name of the Parties (Buyer)	Registered in the name of Zeal Aqua Limited
Name of Seller(s)	Mr. Shantilal Patel
Description of Property	Block No. 345/B/6, Village Orma, Taluka- Olpad, Surat.
Date of agreement	January 25, 2016
Consideration Paid including stamping and Registration charges	Rs. 83,89,500
Usage	Setting of Shrimp Processing Unit
Area (Approx)	35076 sq. meters

Particulars	Details
Name of the Parties (Buyer)	Registered in the name of Zeal Aqua Private Limited*
Name of Seller(s)	Mr. Naem Nasirbhai Shaikh
Description of Property	Block No. 868, TA, Olpad District, Surat
Date of agreement	November 19, 2014
Consideration Paid including stamping and Registration charges	Rs. 12,50,000
Usage	-
Area (Approx)	1387 sq. mts

* Zeal Aqua Private Limited at present it is **Zeal Aqua Limited**

Leased Properties:

Particulars	Details
Name of the Lessor	Gujarat Industrial Development Corporation
Name of Lesee	Zeal Aqua Private Limited*
Description of Property	Plot No. 4 & 5, GIDC, Olpad, Surat
Date of agreement	December 15, 2011
Consideration Paid	Rs. 99,125/-
Usage	Registered Office and storage of the inputs for Shrimps
Area (Approx)	793 square meters
Rent	Rupee 1 yearly
Period	99 years from October 8, 2002

* Zeal Aqua Private Limited at present it is **Zeal Aqua Limited**

Particulars	Details
Name of the Lessor	Mr. Shantilal Patel
Name of Lesee	Zeal Aqua Limited
Description of Property	Block/Survey No. 347, Khata No. 319, Village Orma, Olpad, Surat
Date of agreement	July 7, 2015
Usage	Setting of Shrimp Processing Unit
Area (Approx)	14569 square meters
Rent	19,500 and with the increase 15% for every 5 year
Period	90 years commencing from June 1, 2015

Insurance

The Company has taken sufficient insurance from the following Insurance Company:

Name of Insurer	Policy No.	Total Sum Assured	Insurance Coverage	Period
Universal Sompo General Insurance Co. Ltd	Burglary Policy: 2913/50633508/06/000	Rs. 25,00,00,000	Stock in Trade- Stock of Probiotics, Feed and Bleaching (Eating material of various aquatic animals occupied as closed godown cum office. Insured Premises: Plot No. Plot No. 4 & 5, GIDC, Olpad, Surat.	From 00.00 of April 22, 2016 to 23:59 of April 21, 2017
Universal Sompo General Insurance Co. Ltd	Standard Fire and Special perils Policy 2114/50626201/06/000	Rs. 25,00,00,000 Rs. 77,00,000	Stock in Trade- Stock of Probiotics, Feed and Bleaching (Eating material of various aquatic animals occupied as closed godown cum office. Insured Premises: Plot No. Plot No. 4 & 5, GIDC, Olpad, Surat. Building and Compound wall - Occupied as Godown cum Office Building	From 00.00 of April 22, 2016 to 23:59 of April 21, 2017

Exports & Exports Obligations

Our Company doesn't have any export obligation as we are not currently exporting any of our products.

KEY INDUSTRY REGULATIONS AND POLICIES

We are subject to a number of Central and State legislations which regulate substantive and procedural aspects of the business. Additionally, the operations require sanctions from the concerned authorities, under the relevant Central and State legislations and local bye-laws. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business. The regulations set out below are not exhaustive and are only intended to provide general information to the bidders. The company is engaged in business of aqua culture. Set further below are certain general legislations and regulations which govern this industry in India.

Statutory Legislations

The Companies Act, 1956

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

The Companies Act, 2013 (to the extent notified)

The Companies Act, 2013, has been 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 and March 26, 2013 notified a total of 283 Sections of the Companies Act, 2013, which have become effective as on the date of this Draft Prospectus.

Industrial (Development and Regulation) Act, 1951

The Industrial (Development and Regulation) Act, 1951 has been liberalized under the New Industrial Policy dated July 24, 1991, and all industrial undertakings are exempt from licensing except for certain industries such as distillation and brewing of alcoholic drinks, cigars and cigarettes of tobacco and manufactured tobacco substitutes, all types of electronic aerospace and defense equipment, industrial explosives including detonating fuses, safety fuses, gun powder, nitrocellulose and matches and hazardous chemicals and those reserved for the small scale sector. An industrial undertaking, which is exempt from licensing, is required to file an Industrial Entrepreneurs Memorandum ("IEM") with the Secretariat for Industrial Assistance, Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and no further approvals are required.

The Workmen Compensation Act, 1923

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

The Minimum Wages Act, 1948

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

The Payment of Gratuity Act, 1972

The Payment of Gratuity Act, 1972 ("Act") was enacted with the objective to regulate the payment of gratuity, to an employee who has rendered for his long and meritorious service, at the time of termination of his services. A terminal Lump sum benefit paid to a worker when he or she leaves employment after having worked for the employer for a prescribed minimum number of years is referred to as "gratuity." The provisions of the Act are applicable to all the factories. The Act provides that within 30 days of opening of the establishment, it has to notify the controlling authority in Form A and thereafter whenever there is any change in the name, address or change in the nature of the business of the establishment a notice in Form B has to be filed with the authority. The Employer is also required to display an abstract of the Act and the rules made there-under in Form U to be affixed at the or near the main entrance. Further, every employer has to obtain insurance for his Liability towards gratuity payment to be made under Payment of Gratuity Act 1972, with Life Insurance Corporation or any other approved insurance fund.

Employees Provident Fund and Miscellaneous Provisions Act, 1952

Under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("PF Act"), provides that a factory mentioned that every establishment employing more than 20 (twenty) persons, either directly or indirectly, in any other capacity whatsoever, is covered by the provisions of the PF Act. The employer of such establishment is required to make a monthly contribution matching to the amount of the employee's contribution to the provident fund. It is also mandatory requirement to maintain prescribed records and registers and filing of forms with the PF authorities. The EPF Act also imposes punishments on any person who violate any of the provisions of the schemes made under the EPF Act and specifically on employers who contravene or default in complying with certain provisions of the EPF Act. If the person committing an offence is a company, every person who at the time the offence was committed was in charge of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be prosecuted accordingly.

Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 is applicable to every establishment employing 20 or more employees. The said Act provides for payment of the minimum bonus to the employees specified under the Act. It further requires the maintenance of certain books and registers such as the register showing computation of the allocable surplus; the register showing the set on & set off of the allocable surplus and register showing the details of the amount of Bonus due to the employees. Further it also require for the submission of Annual Return in the prescribed form to be submitted by the employer within 30 days of payment of the bonus to the Authority under the Act.

Factories Act, 1948

This Act came into force on 1st April, 1949 and extends to the whole of India, including Jammu and Kashmir. It has been enacted to regulate working conditions in factories and to ensure the provision of the basic minimum requirements for safety, health and welfare of the workers as well as to regulate the working hours, leave, holidays, employment of children, women, etc. It ensures annual leaves with wages, provides additional protection from hazardous processes, additional protection to women workers and prohibition of employment of children.

Tax Related Legislations Value Added Tax ("VAT")

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

Income Tax Act, 1961

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

Central Sales Tax Act, 1956

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

Service Tax

Chapter V of the Finance Act, 1994 as amended, provides for the levy of a service tax in respect of 'taxable services', defined therein. The service provider of taxable services is required to collect service tax from the recipient of such services and pay such tax to the Government. Every person who is liable to pay this service tax must register himself with the appropriate authorities. According to Rule 6 of the Service Tax Rules, every assesse is required to pay service tax in TR 6 challan by the 6th of the month immediately following the month to which it relates. Further, under Rule 7 (1) of Service Tax Rules, the Company is required to file a quarterly return in Form ST 3 by the 25th of the month immediately following the half year to which the return relates. Every assesse is required to file the quarterly return electronically.

Professional Tax

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

Trade Marks Act, 1999 (Trade Marks Act)

The Trade Marks Act provides for the application and registration of trademarks in India. The purpose of the Trade Marks Act is to grant exclusive rights to marks such as a brand, label and heading and to obtain relief in case of infringement for commercial purposes as a trade description. The registration of a trademark is valid for a period of 10 years and can be renewed in accordance with the specified procedure. Application for trademark registry has to be made to controller-general of patents, designs and trade - marks who is the registrar of trademarks for the purposes of the Trade Marks Act. The Trade Marks Act prohibits any registration of deceptively similar trademarks or chemical compound among others. It also provides for penalties for infringement, falsifying and falsely applying trademarks.

Regulation of Foreign Investment in India

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

Shops and Establishments legislations in various States

Our Company is governed by the various Shops and Establishments legislations, as applicable, in the states where it has its branch offices. These legislations regulate the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of inter alia registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures and wages for overtime work.

Other Applicable Laws

The Indian Stamp Act, 1899

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

The Indian Contract Act, 1872

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

THE WATER (PREVENTION AND CONTROL OF POLLUTION) ACT, 1974 ("Water Act")

The Water Act aims to prevent and control water pollution as well as restore water quality by establishing and empowering the Central Pollution Control Board and the State Pollution Control Boards. Under the Water Act, any person establishing any industry, operation or process, any treatment or disposal system, use of any new or altered outlet for the discharge of sewage or new discharge of sewage, must obtain the consent of the relevant State Pollution Control Board, which is empowered to establish standards and conditions that are required to be complied with. In certain cases the State Pollution Control Board may cause the local Magistrates to restrain the activities of such person who is likely to cause pollution. Penalty for the contravention of the provisions of the Water Act include imposition of fines or imprisonment or both.

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

The Air (Prevention And Control Of Pollution) Act, 1981 ("Air Act")

Pursuant to the provisions of the Air Act, any person, establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant State Pollution Control Board prior to establishing or operating such industrial plant. The State Pollution Control Board is required to grant consent within a period of four months of receipt of an application, but may impose conditions relating to pollution control equipment to be installed at the facilities. No person operating any industrial plant in any air pollution control area is permitted to discharge the emission of any air pollutant in excess of the standards laid down by the State Pollution Control Board. The penalties for the failure to comply with the above requirements include imprisonment of up to six years and the payment of a fine as may be deemed appropriate. Under the Air Act, the Central Board for the Prevention and Control of Water Pollution has powers, inter alia, to specify standards for quality of air, while the State Board for the Prevention and Control of Water Pollution have powers, inter alia, to inspect any control equipment, industrial plant or manufacturing process, to advise the State Government with respect to the suitability of any premises or location for carrying on any industry and to obtain information from any industry.

Coastal Aquaculture Authority Act, 2005

The Coastal Aquaculture Authority Act, 2005 ("**CAA Act**") provides for the establishment of a Coastal Aquaculture Authority ("**CAA**") for regulating the activities connected with coastal aquaculture in the coastal areas. This Act also provides that no person shall carry on, or cause to be carried on, coastal aquaculture in a coastal area which lies within such Coastal Regulation Zone as is specified there under and is not used for coastal aquaculture purposes on the establishment of the CAA unless he has registered his farm with the CAA. Violation of any of the provision shall attract punishment including imprisonment for a term which may extend to three years or with fine which may extend to

one lakh rupees, or with both. However, this Act prohibits coastal aquaculture from being carried on (i) within two hundred metres from High Tide Lines; and also (b) in creeks, rivers and backwaters within the Coastal Regulation Zone declared for the time being under the Environment (Protection) Act, 1986.

The following are the rules applicable us:

Coastal Aquaculture Authority Rules, 2005

Notification No. S.O. 19(E), dated the January 6, 2011("**CRZ Notification, 2011**") **issued by the Ministry of Environment and Forests (Department of Environment, Forests and Wildlife), Government of India.**

The Government of India in the Ministry of Environment and Forests (Department of Environment, Forests and Wildlife) has issued the notification No. S.O. 19(E), dated the January 6, 2011 ("**CRZ Notification, 2011**") in supersession of the notification of the Government of India in the Ministry of Environment and Forests, number S.O.114(E), dated the 19th February, 1991 ("**CRZ Notification, 1991**"), allowing the things done or omitted to be done before such supersession. Vide the CRZ Notification, 2011 the Central Government, with a view inter-alia to ensure livelihood security to fisher communities and other local communities, living in the coastal areas, to conserve and protect coastal stretches, its unique environment and its marine area, has declared that the coastal stretches of the country and the water area upto its territorial water limit, excluding the islands of Andaman and Nicobar and Lakshadweep and the marine areas surrounding these islands upto its territorial limit, as Coastal Regulation Zone ("**CRZ**") and restricted the setting up and expansion of any industry, operations or processes and manufacture or handling or storage or disposal of hazardous substances as specified in the Hazardous Substances (Handling, Management and Transboundary Movement) Rules, 2009 in the CRZ. The CRZ Notification, 2011 also inter-alia prohibits certain activities within the CRZ and regulates other activities therein. For the purposes of conserving and protecting coastal areas and marine waters, the CRZ Notification, 2011 provides for a detailed classification of the CRZ area into CRZ – I, CRZ – II, CRZ – III, CRZ – IV and areas requiring special consideration for the purpose of protecting the critical coastal environment and difficulties faced by local communities. In particular, with respect CRZ – IV, activities impugning on the sea and tidal influenced water bodies shall be regulated except for traditional fishing and related activities undertaken by local communities, including inter-alia, that no untreated sewage, effluents, ballast water, ship washes, fly ash or solid waste from all activities including from aquaculture operations shall be let off or dumped.

<u>The Marine Products Export Development Authority Act, 1972</u>

The Marine Products Export Development Authority Act, 1972 ("**MPEDAA**") has been enacted to provide for the establishment of an authority for the development of the marine products industry under the control of the Union and for matters connected therewith. Accordingly, the MPEDAA has inter-alia provided for the establishment of an authority called the Marine Products Export Development Authority ("**the Authority**") with such constitution and to perform such functions as are specified there under. Further, under the MPEDAA, every owner of a fishing vessel, processing plant or storage premises for marine products or conveyance used for the transport of marine products shall, before the expiration of one month from the date on which he first became owner of such fishing vessel, processing plant, storage premises or conveyance, whichever is later, apply to the Authority for registration under this Act of every such fishing vessel, processing plant, storage premises, or conveyance owned by him . The Authority may, for sufficient reason, extend the time-limit for registration by such period as it thinks fit. Such registration once made shall continue to be in force until it is cancelled by the Authority. The MPEDAA also requires every such owner to submit to the Authority returns in the form and manner prescribed. For the purposes of the MPEDAA, the term marine products has been defined there under to include all varieties of fishery products known commercially as shrimp, prawn, lobster, crab, fish, shell-fish, other aquatic animals or plants or parts thereof and any other products which the Authority may, by notification in the Gazette of India,

declare to be marine products for the purposes of the MPEDAA.

1. Guidelines for Culture of Litopenaeus *vannamei* in fresh water/inland farms

The Guidelines for Culture of Litopenaeus *vannamei* in fresh water/inland farms ("**the Guidelines**") inter-alia provide that farmers who are desirous of cultivating Litopenaeus vannamei in fresh water/inland farms located outside the jurisdiction of the CAA, having water salinity above 0.5 PPT, shall be required to register their farms with the State Fisheries Department. However, the farms located within the jurisdiction of CAA shall register with CAA itself. Farmers are also inter-alia required to maintain records as set out under the Guidelines. Farmers are also prohibited from using banned drugs and antibiotics as per the list appended under the Guidelines. The Guidelines also inter-alia stipulate certain security related measures to be undertaken in respect of the farms.

2. Environment Protection Act, 1986

The Environmental Protection Act, 1986 ("**EPA**") provides for the protection and improvement of the environment. "Environment" includes water, air and land and the interrelationships which exist among water, air and land, and human beings and other living creatures, plants, micro-organisms and property. Any solid, liquid or gaseous substance present in such concentration as may/tend to be injurious to the environment is a "pollutant". The Central Government has the power to take all such actions as it deems necessary for protecting the environment. Any industry, operation or process shall not discharge or emit any environmental pollutant in excess of standards as may be prescribed by the Authority. Any person/establishment fails to comply with the provisions of the Act shall be punishable with imprisonment for a term extending to five years or fine extending to one lakh rupees, or with both. If the person committing the offence is a company, the company as well as every person in charge of its conduct of the business at the time of the commission of the offence shall be deemed to be guilty and prosecuted accordingly. The EPA also requires submission of an environment statement in the prescribed manner.

3. Foreign Exchange Management Act, 1999 ("the FEMA")

Foreign investment in aquaculture is governed by the provisions of the FEMA read with the applicable regulations.

The Department of Industrial Policy and Promotion ("**DIPP**"), Ministry of Commerce and Industry has issued 'Consolidated FDI Policy' (the "**FDI Circular**") which consolidates the policy framework on Foreign Direct Investment ("**FDI**"), with effect from April 17, 2014. The FDI Circular consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP till April 17, 2014. Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the approval route, depending upon the sector in which foreign investment is sought to be made. Under the approval route, prior approval of the Government of India through Foreign Investment Promotion Board ("FIPB") is required. FDI for the items or activities that cannot be brought in under the automatic route may be brought in through the approval route. Where FDI is allowed on an automatic basis without the approval of the FIPB, the RBI would continue to be the primary agency for the purposes of monitoring and regulating Foreign Investment. In cases where FIPB approval is obtained, the issue price shall be fixed as per the RBI guidelines and a declaration in the prescribed form, detailing the foreign investment, must be filed with the RBI once the foreign investment is made in the Indian company. The RBI, in exercise of its power under the FEMA, has also notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000 to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India.

The FDI Circular permits investment up to 100% Foreign Direct Investment under the automatic

route in aquaculture, under controlled conditions. It has been clarified that in relation to aquaculture, the scope of the term ‘under controlled conditions’ covers –
(a) Aquariums
(b) Hatcheries where eggs are artificially fertilized and fry are hatched and incubated in an enclosed environment with artificial climate control.

Besides the above, FDI is not allowed in any other agricultural sector/activity.

RBI has also issued Master Circular on Foreign Investment in India dated July 01, 2014 which is valid till June 30, 2015. In terms of the Master Circular, an Indian company may issue fresh shares to person resident outside India (who are eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. As mentioned above, the Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was incorporated as "Zeal Aqua Private Limited" at Surat under the provision of the Companies Act, 1956 vide certificate of incorporation dated March 6, 2009 issued by the Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Consequent upon the conversion of our Company to public limited company, the name of our Company was changed to "Zeal Aqua Limited" and fresh certificate of incorporation dated March 31, 2015 was issued by the Assistant Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U05004GJ2009PLC056270.

Our Promoters basically lead the way of aquaculture in Surat around 20 years ago and have individually started cultivation of shrimp with 2 ponds. After continues efforts in various innovation in the field of aquaculture, shrimp farming, satellite farming etc decided to give the business a corporate shape and to accomplish the thought, Our Promoters who were individually engaged in culturing shrimps joined hands in 2009 and incorporated our company "Zeal Aqua Private Limited" to make the business scalable and reap the benefits of synergy. In addition, the introduction of schemes of Government to allot coastal lands for aquaculture purposes to promote this industry and generate a source of revenue for farmers motivated our Promoters to have a vision to develop an advanced, sustained and fully integrated aquaculture system in Surat and also across India.

At present, our Company have approx 160 ponds spread over village Mor, Delasa, Mandorai, Katpore, Nesh, Dandi, Olpad, Orma, Bhagwa, Kantyajal, etc admeasuring area of approx 200 hectares of land wherein the land on which ponds are constructed for cultivation of shrimp by our Company is in accordance with collaboration agreements with various parities. In the year 2011, Mr. Rohan Navik, son of Mr. Pradeep Navik, promoter of our Company, joined the company as Whole time Director and since then he is also looking after the daily business affairs of the company.

In addition to shrimp farming, our Company is also engaged in satellite farming whereby our Company supplies inputs i.e shrimp feeds, shrimp seeds, probiotics and other aquaculture related products etc on credit to small farmers and buys shrimps from these farmers. Our Company has approx 1050 satellite farms. We deploy our specific quality control measures and the farmers under satellite farming are required to adhere to our farming standards. The satellite farming enables companies to scale up and multiply its production without putting up physical infrastructure on its own. This flexible model of shrimp production helps our Company to efficiently manage growing demand of shrimps.

After establishing the strong foothold in the shrimp farming and satellite farming activities, as a part of forward integration our Company is in process of setting up shrimp processing unit for their shrimp including cold storage and primarily to manufacture Individually quick frozen (IQF) shrimp products for which our company had already purchased land admeasuring area of 35076 sq meters and 14569 sq meter land on lease basis at Village Orma, Olpad, Surat. With the help of this proposed processing unit, Our company will be in a position to directly sell the finished product (consumable shrimp) to the export market. Thus, the proposed project is a logical forward integration for our Company and the same would help the Company to expand their global foot-prints and take their business ahead in the right direction.

Amendments to the Memorandum of Association

The following changes have been made in the Memorandum of Association of our Company since its inception:

Sr. No.	Date of Passing of Resolution	Particulars
1.	April 08, 2009	Alteration of Object Clause: Pursuant to section 17 and other applicable provisions of The

		Companies Act,1956 the Memorandum of Association of the Company be altered by substitution of following clause numbered III (A)(1) and III(A)(2) in place of existing clause III(A)(1) and III(A)(2) and inserting following clause III(A)(3) to III(A)(6) after existing clause III(A)(2): 1. To carry on aqua business, to catch, produce, protect, procure, provide, process, promote, preserve, keep, pack, bottle, can, extract, smoke, cure, freeze, prepare, warehouse, store, dry, clean, cart, cut, commercialize, import, export, barter, buy, sell, distribute, and to act as stockiest, representative, middleman, liasioner, consignor, collaborator, consultant, or otherwise, to deal in all sorts of fresh, chilled, dried, salted, in brine, or frozen seafood, fish meals, fish and prawn products. 2. To manufacture and trade in all types of foods, medicines and other consumables used in breeding the fishes of all sorts and to all types of equipments including boats, ferry boats, nets, used in fishing. 3. To carry on the business as manufacturers, producers, processors, buyers, sellers, importers, exporters and dealers in every kind and description of food and foodstuff whether vegetarian or non-vegetarian, milk and milk products including creams, butter, ghee, cheese, condensed milk, malted milk powders, skimmed milk, ice-cream, milk foods, canned foods, and fish preparation, meat and meat preparation and the foods made from any substances of animal and birds and the business poultry farming. 4. To carry on the business of farming, agriculture and horticulture in its branches and to grow, produce, manufacture, process, prepare, refine, extract, manipulate, hydrolyze, buy, sell, market or deal in all kinds of agricultural, horticultural, dairy, poultry and farm produces and products including food grains, cereals, seeds, soybeans, corn, corn oils, cash crops, plants, flowers, vegetables, edible oils, meat fish, eggs, animal and human foods and food products. 5. To cultivate any plantation or other agricultural produces in all its branches and carry on the business as cultivators, buyers and dealers in vegetables, grains, vanaspaties and all other agricultural produces and to prepare, manufacture and render marketable any such produces and to sell, market, dispose off or deal in any such produces either in its prepare, manufactured or raw state and to purchase, hold, develop, cultivate any agricultural, barren land for the purpose herein mentioned. 6. To undertake research and development in fields of breeding and preservation of fishes and aquatic animals, milk production and preservation, method of farming, harvesting, preservation of any agricultural products, horticulture, poultry farming.
2.	May 26, 2009	Increased in authorized capital from Rs. 1,00,000 to Rs. 1,00,00,000.
3.	January 01, 2011	Increased in authorized capital from Rs. 1,00,00,000 to Rs. 1,50,00,000.
4.	July 22, 2013	Increased in authorized capital from Rs. 1,50,00,000 to Rs. 2,00,00,000.
5.	March 25, 2015	Increased in authorized capital from Rs. 2,00,00,000 to Rs. 5,00,00,000.
6.	March 25, 2015	Converted Company from Private Limited to Public Limited.

7.	March 25, 2015	Adoption of New set of Article of Association of Association as per Companies Act, 2013.

Major Events

The major events of the company since its incorporation in the particular financial year are as under:

Financial Year	Events
2009	Our company was incorporated and commenced the business
2010	"Best Farmer Award" for the Year 2009-10 by Central Institute of Fisheries Education to our Promoter Mr. Shantilal Patel.
2011	Participation in the Aquaculture Food safety Prevention Program by Promoter of the Company Shri. Shantilal Patel.
2011	"Bhumi Nirman Award" for preservation of best quality of fishery to our Promoter Mr. Shantilal Patel.
2011	Initiate the concept of P E Line Ponds in Gujarat.
2012	Awarded First Girnar fishery industry Shiromani by Doordarshan, Indian National Media Channel.
2013	Won Avanti Vaishakhi Cup.
2013	Awarded the "Best Farmer Award" by Shri Narendra Modi, CM of Gujarat to our Promoter Mr. Shantilal Patel.
2013	Awarded for Excellence - categorized in "Best L. Vannamei Farmer" to our Promoter Mr. Shantilal Patel by the Marine Products Export Development Authority, Ministry of commerce & Industry, Government of India at the Aqua Aquaria India 2013.
2014	Turnover cross Rs.100 Crore.
2015	Converted Company from Private Limited to Public Limited.

Subsidiaries/Holdings of the company

Our Company does not have any subsidiary company and company is not having any holding company, as on date of filing of the Draft Prospectus.

Injunction and restraining order

Our company is not under any injunction or restraining order, as on date of filing of the Draft Prospectus.

Managerial Competence

For managerial Competence please refer to the section “Our management" on Page no. 111 of the Draft prospectus.

Technology

For technology please refer to the section “Business Overview" on Page no. 76 of the Draft prospectus.

Capacity and Capacity Utilization

For Capacity and Capacity Utilization please refer to the section “Business Overview" on Page no. 88 of the Draft prospectus.

Acquisitions / Amalgamations / Mergers/ Revaluation of assets

No acquisitions / amalgamations / mergers or revaluation of assets have been done by the company.

Total number of Shareholders of Our Company

As on the date of filing of this Draft Prospectus, the total numbers of equity share holders are 26. For more details on the shareholding of the members, please see the section titled “Capital Structure” at page 36.

Main Objects as set out in the Memorandum of Association of the Company

The object clauses of the Memorandum of Association of our Company enable us to undertake the activities for which the funds are being raised in the present Issue. Furthermore, the activities of our Company which we have been carrying out until now are in accordance with the objects of the Memorandum. The objects for which our Company is established are:

1. To Carry on the aqua business to catch, produce, product, procure, provide, process, promote, preserve, kept, pack, bottle, can, extract, smoke, cure, freeze, prepare, warehouse, store, dry, stockiest, representative, middleman, liasioner, cosigner, collaborator, consultant, or otherwise, to deal in all sorts of fresh, chilled, dried, salted, in brine or frozen seafood, fish meals, fish and pawn products.
2. To manufacture and trade in all types of foods, medicines and other consumables used in the fishes of all sorts and to all types of equipments including boats, ferry boats, nets used in fishing.
3. To carry on the business as manufactures, producers, processors, buyers, sellers, importers, exporters and dealers in every kind and description of food and foodstuff whether vegetarian or non-vegetarian, milk and milk products including creams, butter, ghee, cheese, condensed milk, malted milk powders, skimmed milk, ice-cream, milk foods, canned foods, and fish preparation, meat and meat preparation and the foods made from any substances of animal and birds and the business poultry farming.
4. To carry on the business of farming, agriculture and horticulture in its branches and to grow, produce, manufacture, process, prepare, refine, extract, manipulate, hydrolyze, buy, sell, market or deal in all kinds of agricultural, horticultural, dairy, poultry and farm produces and products including food grains, cereals, seeds, soybeans, corn oils, cash crops, plants, flowers, vegetables, edible oils, meat fish, eggs, animal and human foods and food products.
5. To cultivate any plantation or other agricultural produces in all its branches and carry on the business as cultivators, buyers and dealers in vegetables, grains, vanaspaties and all other agricultural producers and to prepare, manufacture and render marketable any such produces and to sell, market dispose off or deal in any such produces either in its prepare, manufactured or raw state and to purchase, hold, develop, cultivate any agricultural, barren land for the purpose herein mentioned.
6. To undertake research and developed in fields of breeding and presentation of fishes and aquatic animals, milk production and preservation, method of farming, harvesting, and preservation of any agricultural products, horticulture, and poultry farming.

Shareholders’ Agreements

Our Company has not entered into any shareholders agreement as on the date of filing this Draft Prospectus.

Other Agreements

As on the date of this Draft Prospectus our Company has not entered into any agreements other than those entered into in the ordinary course of business and there are no material agreements entered into more than two years before the date of this Draft Prospectus.

Strategic Partners

Our Company is not having any strategic partner as on the date of filing this Draft Prospectus.

Financial Partners

Our Company has not entered into any financial partnerships with any entity as on the date of filing of this Draft Prospectus.

OUR MANAGEMENT

Under our Articles of Association, our Company is required to have not less than three (3) directors and not more than fifteen (15) directors. Our Company currently has 6 directors on Board of which three (3) are Independent directors, they are:

1.	Mr. Shantilal Patel	Chairman and Managing Director
2.	Mr.Pradeep Navik	Whole Time Director
3.	Mr.Rohan Navik	Whole Time Director
4.	Mr. Naginbhai Patel	Independent Director
5.	Mrs.Roshan Kadodwala	Independent Director
6.	Mr. Maheshbhai Mistry	Independent Director

The Following table sets forth details regarding the Board of Directors as of the date of this Draft Prospectus:-

Name, Father's Name, Address, Age, Designation, DIN , Occupation and Nationality	Qualification & No. of Years of Experience	Date of Appointment and Term	Other Directorships
Name : Mr. Shantilal Patel **Father's Name :** Mr. Ishwarbhai Patel **Address :**46 and 47 Hariom Nagar, Rander, Surat, Gujarat-395009 **Age :**59 Years **Designation :**Chairman & Managing Director **DIN :**01362109 **Occupation :**Business **Nationality :**Indian	He has more than 11 years experience in the field of Aquaculture	Initial Appointment March 06,2009 Appointed as Chairman & Managing Director w.e.f. March 25, 2015 for a period of 5 years.	**Director in:** 1. Jacob Foods Private Limited 2. Mukesh Hotels Private Limited 3. Rati Aqua Private Limited
Name : Mr. Pradeep Navik **Father's Name:** Mr.Ratilal Navik **Address :**14-15, Sugam Society, Rander Road, Adajan Patia, Surat – 395009 **Age :**54 years **Designation :**Whole Time Director **DIN :**01067716 **Occupation :**Business **Nationality :**Indian	He has more than 20 years experience in the field of Aquaculture	Initial Appointment: March 6, 2009 Appointment as Whole-time Director: March 25, 2015 for a period of 5 years	**Director in:** 1. Jacob Foods Private Limited 2. Rati Aqua Private Limited
Name : Mr. Rohan Navik **Father's Name:** Mr. Pradeep Navik **Address :**14-15, Sugam Society, Rander Road, Adajan Patia, Surat – 395009 **Age :**29 Years **Designation :**Whole Time Director **DIN :**02531248 **Occupation :**Business **Nationality :**Indian	B.com and Master of International Business. He has more than 6 years experience in the field of Aquaculture	Initial Appointment: June 6, 2011 Appointment as Whole-time Director: March 25, 2015 for a period of 5 years	**Director in:** 1. Mahesh Aqua Farm Private Limited 2. Rati Aqua Private Limited **Partner in LLP:** 1. Agave Tradecom LLP 2. Bright Commotrade LLP

Name : Mr. Naginbhai Patel **Father's Name:** Mr Paragbhai Patel **Address :**H. No. 109, At-Kumbhari Post-Sondlakhara, Navapara Kumbhari Ta-Olpad Surat - 395000 **Age :**63 Years **Designation :**Independent Director **DIN :**01675923 **Occupation :**Service **Nationality :**Indian	He has more than 36 years experience in the field of Revenue & Land related matters	Appointed as Director March 25, 2015 **Term:** March 25, 2015 for a period of 5 years	**Director in:** 1. Rameshwar Aquaculture Private Limited
Name : Mrs.Roshan Kadodwala **Fathers Name :** Mr. Parvez Olpadwala **Address :**A-501, Agam Appartment, Athwalines, Surat - 395001, Gujarat **Age :**59 Years **Designation :**Independent Director **DIN :**07138664 **Occupation :**Service **Nationality :**Indian	She worked as Teacher for 9 years and 11 years experience as LIC agent.	Appointed as Director March 25, 2015 **Term:** March 25, 2015 for a period of 5 years	-
Name : Mr.Mahesh Mistry **Father's Name:** Mr. Nathu Mistry **Address** :B/21, Vaibhav Nagar Society, Palanpur Road, Surat - 395009. **Age :**66 Years **Designation :**Independent Director **DIN :**07138442 **Occupation :**Service **Nationality :**Indian	-	Appointed as Director March 25, 2015 **Term:** March 25, 2015 for a period of 5 years	-

As on the date of the Draft Prospectus:

A. None of the above mentioned Directors are on the RBI List of wilful defaulters.
B. None of the Promoter, persons forming part of our Promoter Group, our Directors or persons in control of our Company or our Company are debarred from accessing the capital market by SEBI.
C. None of the Promoter, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
D. None of our Directors are/were directors of any company whose shares were suspended from trading by stock exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five years.
E. None of our Directors currently are or have been in the past, directors in listed companies which have been / were delisted from being traded from the stock exchanges.

Relationship between the Directors

Mr. Pradeep Navik and Mr. Shantilal Patel are related to Mr. Rohan Navik as Father and Father-in-law respectively. Hence they are "relatives" within the meaning of Section 2 (77) of the Companies Act, 2013.Except this there is no relationship, in terms of the Companies Act, between any of the directors of our company.

Arrangement and understanding with major shareholders, customers, suppliers and others

There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the above mentioned Directors was selected as director or member of senior management.

Service Contracts

None of our directors have entered into any service contracts with our company and no benefits are granted upon their termination from employment other than the statutory benefits provided by our company. Except statutory benefits upon termination of their employment in our Company or retirement, No officer of our Company, including the directors and key Managerial personnel are entitled to any benefits upon termination of employment.

Borrowing Powers of our Company

Our Articles, subject to the provisions of Section 180(1) (c) of the Companies Act, 2013 authorizes our Board, to raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company. The shareholders of the Company, through an Ordinary Resolution passed at the Annual General Meeting held on September 30, 2014, authorised our Board to borrow monies on behalf of the Company in excess of the paid up capital of the Company and free reserve amount not exceeding Rs.100.00 Crores (Rupees One Hundred Crore Only)

Brief Profiles of Our Directors

Mr. Shantilal Patel

Mr. Shantilal Patel, aged 59 years, is currently the Chairman and Managing Director of our Company. He is a promoter director and he is a Director since the inception of our company. He worked for almost 11 years in different countries like Muscat, Tanzania, Saudi Arabia, and Ivory Coast. He was originally in the Fabrication Industry and today he also run the industry for MS fabrication for household and Industrial purpose too. Since 2009, he also actively involved and engaged in the "Aquaculture activities and managing our company successfully. He is a promoter Director with very wide and rich experience of more than 10 years as very successful aqua culturist. He is responsible for making strategic decisions and decisions relating to business development of the Company.

He is the founder member of Surat Aqua Farmers Association. He is the recipient of "Fish Farmers Award" from Central Institute of Fisheries Education, Mumbai as "Best Farmer" for the year 2009. He has been awarded most talented "Aqua Farmer & Performer Award" for the highest production in shrimp farming and is a spoke's person in "Surat Aquaculture Farmers Association (SAFA)". He started the concept of "P.E. Lined Ponds" in Gujarat in 2011.

Mr. Pradeep Navik

Mr. Pradeep Navik, aged 54 years, is currently the Whole-time Director of our Company. He is a promoter director and he is a Director since the inception of our company. He belongs to Fisherman Community. Since 1995 he is in Aquaculture activity, thus he has more than 20 years of experience in Aquaculture industry. He is the grass root worker/Director /promoter to take the company at the new height along with the other promoter Director Mr.Shantilal Patel. He provides overall technical support to the employees of the Company and also looks after the day to day financial planning of the company. He introduced the concept of "Satellite Farming" in our Company.

He is the founder member of Surat Aqua Farmers Association. He is President of "Surat Aquaculture Farmers Association (SAFA)" and also Vic-President of "Gujarat Aquaculture Association (GAA)".

Mr. Rohan Navik

Mr. Rohan Navik, aged 29 years, is the very young, active and dynamic Whole Time Director of our Company. He is commerce graduate from university of Pune and Master of International Business from University of South Australia. He was appointed as director of our Company on June 6, 2011. He keeps live contact with each of the Aqua farm and visits and supervises almost all the Aquaculture Farm frequently so that any problem or difficulties can be resolved on the spot. He looks after the proper and timely feeding to the Shrimps, and also manage the Aqua farm in a scientific way so the very healthy shrimps can grow in the aqua farm.

Mr. Nagin Patel

Mr. Nagin Patel, aged 63 years, has been appointed as an Independent Director of our Company on March 25, 2015. He had served around 36 years as "Talati" of various villages in Surat district and he was Union Leader of Talati Union for 22 years. As he is having very rich experience of Revenue Department, his services in the field of Land related issue is going to be very useful and beneficial to the company.

Mrs. Roshan Kadodwala

Mrs. Roshan Kadodwala, aged 59 years, has been appointed as an Independent Director of our Company on March 25, 2015. She has worked as LIC agent for 11 years and as teacher for 9 years.

Maheshbhai Mistry

Mr. Maheshbhai Mistry, aged 66 years, has been appointed as an Independent Director of our Company on March 25, 2015.

Compensation and Benefits to the Directors are as follows:

The remuneration payable is as follows:

Sr No.	Name	Date of Appointment	Period	Salary per Annum
1	Mr. Shantilal Patel	March 25, 2015	5 Years	24.00 Lacs
2	Mr. Pradeep Navik	March 25, 2015	5 Years	24.00 Lacs
3	Mr. Rohan Navik	March 25, 2015	5 Years	24.00 Lacs

The principal terms and conditions of Chairman and Managing Director and Whole Time Directors are as under:

1. **Mr. Shantilal Patel**

- **Designation :** Chairman And Managing Director
- **Tenure:** 5 years w.e.f. March 25, 2015.
- **Remuneration:** He is entitled to a remuneration of Rs. 2 lakhs per month (Salary may be revised periodically based on recommendation of Board of Director or Nomination & Remuneration Committee, if any and may be increased upto Rs. 42 Lakhs per annum)
- **Perquisites:** Provision of provident fund, super annuation fund, leave encashment, gratuity and out of pocket expenses as incurred, subject to the provisions of Companies Act and other applicable laws, if any

2. **Mr. Pradeep Navik**

- **Designation:** Whole Time Director

- **Tenure:** 5 years w.e.f. March 25, 2015.
- **Remuneration:** He is entitled to a remuneration of Rs. 2 lakhs per month (Salary may be revised periodically based on recommendation of Board of Director or Nomination & Remuneration Committee, if any and may be increased upto Rs. 42 Lakhs per annum)
- **Perquisites:** Provision of provident fund, super annuation fund, leave encashment, gratuity and out of pocket expenses as incurred, subject to the provisions of Companies Act and other applicable laws, if any

3. Mr. Rohan Navik

- **Designation:** Whole Time Director
- **Tenure:** 5 years w.e.f. March 25, 2015.
- **Remuneration:** He is entitled to a remuneration of Rs. 2 lakhs per month (Salary may be revised periodically based on recommendation of Board of Director or Nomination & Remuneration Committee, if any and may be increased upto Rs. 42 Lakhs per annum)
- **Perquisites:** Provision of provident fund, super annuation fund, leave encashment, gratuity and out of pocket expenses as incurred, subject to the provisions of Companies Act and other applicable laws, if any

Sitting fees payable to Non Executive Directors:

Till date we have not paid any sitting fees to our existing Non- Executive Directors.

Shareholding of Directors:

As per the Articles of Association of our Company, a Director is not required to hold any qualification shares.

The shareholding of our directors as on the date of this Draft Prospectus is as follows:

Sr. No.	Name of Directors	No. Equity Shares held	Category/ Status
1.	Mr. Shantilal Patel	4,47,840	Executive and Non - Independent
2.	Mr. Pradeep Navik	4,15,520	Executive and Non - Independent
3.	Mr. Rohan Navik	48,160	Executive and Non - Independent
4.	Mr. Nagin Patel	0	Non Executive and Independent
5.	Mrs. Roshan Kadodwala	0	Non Executive and Independent
6.	Mr. Maheshbhai Mistry	0	Non Executive and Independent

Interest of Directors:

Our Directors have not entered into any contract, agreement or arrangements, except purchase of land on leasehold basis and free hold basis from the Mr. Shantilal Patel Chairman and Managing Director of the Company, details of which is given below , during preceding two years, in which the Directors 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. Further our Directors Mr. Shantilal Patel, Mr. Pradeep Navik and Mr. Roshan Navik are the partners in the firm with which our Company has entered in to collaboration agreement for shrimp farming.

Freehold Land

Particulars	Details
Name of the Parties (Buyer)	Registered in the name of Zeal Aqua Limited
Name of Seller(s)	Mr. Shantilal Patel
Description of Property	Block No. 345/B/6, Village Orma, Taluka- Olpad, Surat.

Date of agreement	January 25, 2016
Consideration Paid including stamping and Registration charges	Rs. 83,89,500
Usage	Setting of Shrimp Processing Unit
Area (Approx)	35076 sq. meters

Leasehold Land

Particulars	Details
Name of the Lessor	Mr. Shantilal Patel
Name of Lesee	Zeal Aqua Limited
Description of Property	Block/Survey No. 347, Khata No. 319, Village Orma, Olpad, Surat
Date of agreement	July 7, 2015
Usage	Setting of Shrimp Processing Unit
Area (Approx)	14569 square meters
Rent	19,500 and with the increase 15% for every 5 year
Period	90 years commencing from June 1, 2015

All the non executive directors of the company may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or Committee thereof as well as to the extent of other remuneration and/or reimbursement of expenses payable to them as per the applicable laws.

The directors may be regarded as interested in the shares and dividend payable thereon, if any, held by or that may be subscribed by and allotted/transferred to them or the companies, firms and trust, in which they are interested as directors, members, partners and or trustees. All directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by the issuer company with any company in which they hold directorships or any partnership or proprietorship firm in which they are partners or proprietors as declared in their respective declarations.

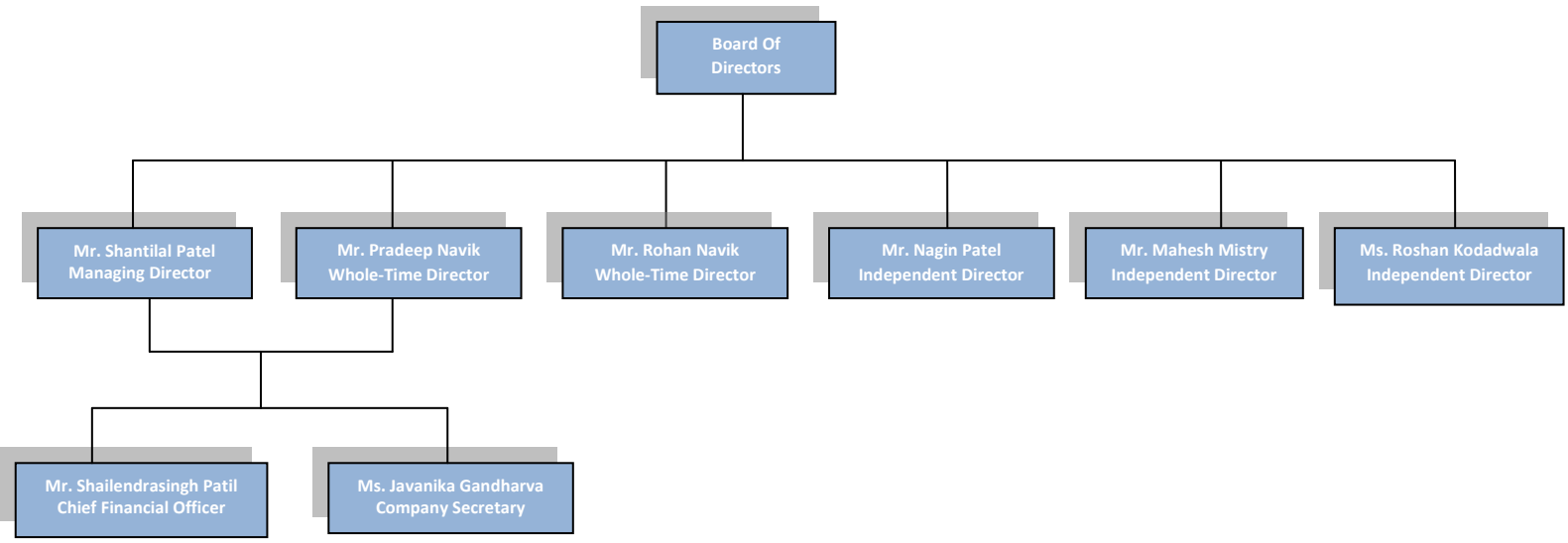
Executive Directors are interested to the extent of remuneration paid to them for services rendered to the company. Except as stated under Related Party Transaction on page no 133 of this Draft Prospectus, our company has not entered into any contracts, agreements or arrangements during the preceding two years from the date of the Prospectus in which our directors are interested directly or indirectly.

Changes in the Board of Directors during the Last Three Years:

Name of Directors	Date of Appointment	Date of Cessation	Reason for the changes in the board
Mr. Susan Navik	-	December 20, 2014	Resigned as Director
Mrs. Rashmi Patel	-	December 20, 2014	Resigned as Director
Mr. Nagin Patel	March 25, 2015	-	Appointed as Director
Mrs. Roshan Kadodwala	March 25, 2015	-	Appointed as Director
Mr. Maheshbhai Mistry	March 25, 2015	-	Appointed as Director

Management Organization Structure:

The Management Organization Structure of the company is depicted from the following chart



Corporate Governance

In additions to the applicable provisions of the Companies Act, 2013, with respect to the Corporate Governance, provisions of the SEBI Listing Regulations except Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) t0 (i) 0f sub regulation (2) of regulation 46 and Para C, D, and E of Schedule will be applicable to our company immediately upon the listing of Equity Shares on the Stock Exchanges.

Our Company has complied with the corporate governance code in accordance with the provisions of the SEBI Listing Regulations, particularly, in relation to appointment of independent directors to our Board and constitution of an audit committee, and a shareholders' grievance committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

Composition of Board of Directors:

Currently the Board has Six Directors, of which the Managing Director of the Board is Executive Director. In compliance with the section 149(40 of the Companies Act, 2013, our Company has three executive Director, and three non-executive Independent Directors on the Board.

Composition of Board of Directors is set forth in the below mentioned table:

Name	Designation	DIN No.
Mr. Shantilal Patel	Chairman and Managing Director	01362109
Mr. Pradeep Navik	Whole Time Director	01067716
Mr. Rohan Navik	Whole Time Director	02531248
Mr. Naginbhai Patel	Independent Director	01675923
Ms. Roshan Kadodwala	Independent Director	07138664
Mr. Maheshbhai Mistry	Independent Director	07138442

Constitutions of Committees

our company has constituted the following Committees of the Board:

1. **Audit Committee**
2. **Stakeholders Relationship Committee.**
3. **Nomination and Remuneration Committee**

1. Audit Committee:

Our Company has constituted an audit committee **("Audit Committee")**, as per section 177 of the Companies Act 2013 vide resolution passed at the meeting of the Board of Directors held on March 25, 2015.

The members of the Audit Committee are as follows:

Name of Directors	Designation	Nature of Directorship
Mr. Naginbhai Patel	Member	Independent Director
Mr. Maheshbhai Mistry	Member	Independent Director
Mr. Shantilal Patel	Member	Executive and non-Independent Director

The Chairman of the Committee will be decided by the members of the committee. The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Audit Committee.

Terms of Reference

The terms of reference of Audit Committee

Role of Audit Committee

The scope of audit committee shall include but shall not be restricted to the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
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 before submission to the board for approval, with particular reference to:
   a. 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
   b. Changes, if any, in accounting policies and practices and reasons for the same
   c. Major accounting entries involving estimates based on the exercise of judgment by management
   d. Significant adjustments made in the financial statements arising out of audit findings
   e. Compliance with listing and other legal requirements relating to financial statements
   f. Disclosure of any related party transactions
   g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
   a. 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/Draft 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;
6. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;

7. 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;
8. Discussion with internal auditors any significant findings and follow up there on;
9. 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;
10. 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;
11. 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;
12. To review the functioning of the Whistle Blower mechanism, in case the same is existing;
    a. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
13. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Review of information by Audit Committee

The audit committee shall mandatorily review the following information:
1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

Powers of the Audit Committee:

The audit committee shall have the powers, which should include the following:
1. To investigate any activity within its terms of reference;
2. To seek information from any employees;
3. To obtain outside legal or other professional advice; and
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

2. Stakeholders Relationship Committee

Our Company has constituted a Stakeholders Relationship Committee to redress complaints of the shareholders. The Stakeholders Relationship Committee was constituted vide resolution passed at the meeting of the Board of Directors held on March 25, 2015.

The members of the Stakeholders Relationship/Shareholders/ Investor's Grievances Committee are as follows:

Name of Directors	Designation	Nature of Directorship
Mr. Mahesh Mistry	Chairman	Independent Director
Mr. Nagin Patel	Member	Independent Director
Ms. Roshan Kadodwala	Member	Independent Director

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Stakeholder's Relationship Committee.

Terms of Reference

To allot the Equity Shares of the Company and to supervise and ensure:
- Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares;

- Redressal of shareholder and investor complaints like transfer of Shares, non-receipt of balance sheet, non-receipt of declared dividends etc.,
- Issue duplicate/split/consolidated share certificates;
- Allotment and listing of shares;
- Dematerialization/Rematerialization of Share
- Review of cases for refusal of transfer / transmission of shares and debentures;
- Reference to statutory and regulatory authorities regarding investor grievances and to otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
- Such other matters as may from time to time are required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

3. Nomination and Remuneration Committee

Our Company has constituted a Nomination and Remuneration Committee in accordance section 178 of Companies Act 2013. The constitution of the Nomination and Remuneration Committee was approved by a Meeting of the Board of Directors held on March 25, 2015. The said committee is comprised as under:

The Nomination and Remuneration Committee comprises the following Directors:

Name of Directors	Designation	Nature of Directorship
Mr. Nagin Patel	Chairman	Independent Director
Mr. Mahesh Mistry	Member	Independent Director
Ms. Roshan Kadodwala	Member	Independent Director

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Nomination and Remuneration Committee.

The terms of reference of the Nomination and Compensation Committee are:

a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
b) Formulation of criteria for evaluation of Independent Directors and the Board;
c) To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
d) Devising a policy on Board diversity;
e) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal and shall carry out evaluation of every director's performance

Our Key Management Personnel

The Key Managerial Personnel of our Company other than our Managing and Whole time Director are as follows:-

Name, Age, Designation and Date of Joining	Qualification	Previous Employment	Overall Experience	Remuneration paid In previous year (2015-2016) (₹ in Lakhs)
Mr. Shailendra Singh **Age:** 35 yrs **Designation:** Chief Financial Officer **DOJ**: March 25,2015	Master of Business Administration	Garden Silk Mills –worked on ERP-Software from May 2005 to June 2006	Overall 13 years Experience.	3.99

		and June-2006 to October 2009 with King Marine Products Pvt. Ltd. Since July 2011 worked with us as Finance Manager.		
Ms. Javanika Gandharva **Age: 28** years **Designation:** Company Secretary and Compliance Officer **DOJ**: April 04, 2016	Master of Commerce and Company Secretary	Worked as an Accountant with Khandelwal & Co.(August"2013 to March'2015)	Overall 5 years Experience	-

Notes:

- All the key managerial personnel mentioned above are on the payrolls of our Company as permanent employees.
- There is no arrangement / understanding with major shareholders, customers, suppliers or others pursuant to which any of the above mentioned personnel have been recruited.
- None of our Key Managerial Personnel has been granted any benefits in kind from our Company, other than their remuneration.
- None of our Key Managerial Personnel has entered into any service contracts with our company and no benefits are granted upon their termination from employment other that statutory benefits provided by our Company.
- None of our Key Managerial Personnel are related with each other.
- No compensation was paid to the Key Managerial Personnel in the last financial year pursuant to a bonus or profit sharing plan.
- None of our Key Management Personnel holds any Shares in our Company

Changes in the Key Management Personnel

The following are the changes in the Key Management Personnel in the last three years preceding the date of filing this Draft Prospectus.

Name	Designation	Date of Appointment	Date of Cessation	Reason of changes
Mr. Shailendra Singh	Chief Financial Officer	March 25, 2015	-	Appointed as CFO
Mr. Pratim Ramani	Company Secretary and Compliance Officer	March 25, 2015	June 15, 2015	Resigned as Company Secretary
Ms. Javanika Gandharva	Company Secretary and Compliance Officer	April 04, 2016	-	Appointed as Company Secretary

Employee Stock Option Scheme

As on the date of filing of Prospectus company does not have any ESOP Scheme for its employees.

Relation of the Key Managerial Personnel with our Promoters/ Directors

None of our Key Managerial Personnel are related to our Promoters/Directors.

Payment of Benefit to Officers of our Company (non-salary related)

Except the statutory payments made by our Company, in the last two years, our company has not paid any sum to its employees in connection with superannuation payments and ex-gratia/ rewards and has not paid any non-salary amount or benefit to any of its officers.

OUR PROMOTERS AND PROMOTER GROUP

The Promoters of our Company are:

1. Mr. Shantilal Patel
2. Mr. Pradeep Navik

For details of the build-up of our Promoters' shareholding in our Company, see section titled "Capital Structure –Notes to Capital Structure" on page 37.

The details of our Promoters are as follows:

Mr. Shantilal Patel

Permanent Account Number	ACIPP2469A
Passport Number	H1679027
Voter Identification No.	CTL7214711
Aadhaar Card No.	2506 3181 6885
Driving License	GJ05 20000113368
Name of Bank	Allahabad Bank
Bank Account Number	50030577092
Residential Address	46 and 47, Hariohm Nagar, Rander, Surat - 395009, Gujarat.
Other Ventures	The details of the other Ventures are given hereunder.

Mr. Shantilal Patel, aged 59 years, is currently the Chairman and Managing Director of our Company. He is a promoter director and he is a Director since the inception of our company. He worked for almost 11 years in different countries like Muscat, Tanzania, Saudi Arabia, and Ivory Coast. He was originally in the Fabrication Industry and today he also run the industry for MS fabrication for household and Industrial purpose too. Since 2009, he also actively involved and engaged in the "Aquaculture activities and managing our company successfully. He is a promoter Director with very wide and rich experience of more than 10 years as very successful aqua culturist. He is responsible for making strategic decisions and decisions relating to business development of the Company.

He is the founder member of Surat Aqua Farmers Association. He is the recipient of "Fish Farmers Award" from Central Institute of Fisheries Education, Mumbai as "Best Farmer" for the year 2009. He has been awarded most talented "Aqua Farmer & Performer Award" for the highest production in shrimp farming and is a spoke's person in "Surat Aquaculture Farmers Association (SAFA)". He started the concept of "P.E. Lined Ponds" in Gujarat in 2011.

Mr. Pradeep Navik

Permanent Account Number	AARPN1990M
Passport Number	G1409828
Voter Identification No.	GJ/24/168/108001
Driving License	GJ05 20070096570
Aadhaar Card No.	7333 8995 6389
Name of Bank	Axis Bank
Bank Account Number	914010029150406
Residential Address	14-15, Sugam Society, Rander Road, Adajan Patia, Surat - 395009, Gujarat.
Other Ventures	The details of the other Ventures are given hereunder.

Pradeep Navik, aged 54 years, is currently the Whole-time Director of our Company. He is a promoter director and he is a Director since the inception of our company. He belongs to Fisherman Community. Since 1995 he is in Aquaculture activity, thus he has more than 20 years of experience in Aquaculture industry. He is the grass root worker/Director /promoter to take the company at the new height along with the other promoter Director Mr.Shantilal Patel. He provides overall technical support to the employees of the Company and also looks after the day to day financial planning of the company. He introduced the concept of "Satellite Farming" in our Company.

He is the founder member of Surat Aqua Farmers Association. He is President of "Surat Aquaculture Farmers Association (SAFA)" and also Vic-President of "Gujarat Aquaculture Association (GAA)".

Confirmations

We confirm that the details of the permanent account numbers, bank account numbers and passport numbers of our individuals Promoters will be submitted to the Stock Exchange at the time of filing the Draft Prospectus with the Stock Exchange.

Further, our Promoters have confirmed that they have not been declared as willful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or are currently pending against them.

Additionally, none of the Promoters have been restrained from accessing the capital markets for any reasons by the SEBI or any other authorities.

For details pertaining to other ventures of our Promoters refer chapter titled *"*Financial Information of our Group Companies*"* beginning on page 128 of the Draft Prospectus.

Change in the management and control of the Issuer

There has not been any change in the management and control of our Company.

Relationship of Promoters with each other and with our Directors

There is no relationship, in terms of the Companies Act, between any of the directors of our company except Mr. Pradeep Navik and Mr. Shantilal Patel is related to Mr. Rohan Navik as Father and Father-in-law respectively.

Interest of Promoters

Except as stated in Annexure XVII "Related Party Transaction" beginning on page 157 of the Draft Prospectus and to the extent of compensation / sitting fees and reimbursement of expenses in accordance with their respective terms of employment, our Promoters do not have any other interest in our business.

Further, our Promoters are also directors on the boards, or are members, or are partners, of certain Promoter Group entities and may be deemed to be interested to the extent of the payments made by our Company, if any, to these Promoter Group entities. For the payments that are made by our Company to certain Promoter Group entities, please see the section "Related Party Transactions" on page 133.

Our Promoters have not entered into any contract, agreement or arrangements, except purchase of land on leasehold basis and free hold basis from the Mr. Shantilal Patel Chairman and Managing Director of the Company, details of which is given below , during preceding two years, in which the Directors 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.

Freehold Land

Particulars	Details
Name of the Parties (Buyer)	Registered in the name of Zeal Aqua Limited
Name of Seller(s)	Mr. Shantilal Patel
Description of Property	Block No. 345/B/6, Village Orma, Taluka- Olpad, Surat.
Date of agreement	January 25, 2016
Consideration Paid including stamping and Registration charges	Rs. 83,89,500
Usage	Setting of Shrimp Processing Unit
Area (Approx)	35076 sq. meters

Leasehold Land

Particulars	Details
Name of the Lessor	Mr. Shantilal Patel
Name of Lesee	Zeal Aqua Limited
Description of Property	Block/Survey No. 347, Khata No. 319, Village Orma, Olpad, Surat
Date of agreement	July 7, 2015
Usage	Setting of Shrimp Processing Unit
Area (Approx)	14569 square meters
Rent	19,500 and with the increase 15% for every 5 year
Period	90 years commencing from June 1, 2015

For further details of the same please refer to heading titled "Properties" beginning on page 96 under chapter titled "Business overview" and statement of Related Party Transaction beginning on page 133 of the Draft Prospectus.

Payment of benefits to our Promoters

Except as stated in the section "Related Party Transactions" on page 133 there has been no payment of benefits to our Promoters during the two years preceding the filing of this Draft Prospectus.

Our Promoter Group

Promoter and Promoter Group in terms of Regulation 2(1)(za) and 2(1)(zb) of the SEBI ICDR Regulations. In addition to our Promoters named above, the following individuals and entities form a part of the Promoter Group:

A. **Natural persons who are part of our Promoter Group**

Relationship with promoter	**Mr. Shantilal Patel**	**Mr. Pradeep Navik**
Father	Mr. Ishwar Patel	Mr. Ratilal Navik
Mother	Ms. Rama Patel	Ms. Manjula Navik
Spouse	Ms. Rashmi Patel	Mr. Susan Navik
Brothers*	Mr. Manoj Patel Mr. Kiran Patel	Mr. Bharat Navik
Sisters*	Ms. Mina Roy Ms. Sharda Patel	Ms. Leela Khalasi Ms. Bhanu Navik
Son	Mr. Dhaval Patel	Mr. Rohan Navik
Daughter	Ms. Kimi Navik Ms. Preety Mistry	-
Spouse's Father	Mr. Parbhu Patel	Mr. Ralph Moses
Spouse's Mother	Ms. Rami Patel	Ms. Mary Moses
Spouse's Brother	Mr. Dharmen Bhagwakar	-
Spouse's Sister	Mr. Niru Patel Mr. Usha Patel	-

*Mr. Manoj Patel, Mr. Kiran Patel, Ms. Mina Roy, Ms. Sharda Patel , Mr. Bharat Navik, Ms. Leela Khalasi and Ms. Bhanu Navik are forming part of promoter group under regulation 2(1)(zb) of SEBI (ICDR) Regulations, 2009, however due to family understanding and restructuring such person are excluded from the purview of "Promoter Group" category and having no control over them.

Nature of Relationship	Entity
Any Body Corporate in which ten percent or more of the equity share capital is held by promoter or an immediate relative of the promoter or a firm or HUF in which promoter or any one or more of his immediate relative is a member.	1. Mukesh Hotels Private Limited 2. Rati Aqua Private Limited 3. Jacob Foods Private Limited 4. Navik Aqua Private Limited 5. Susan Aqua Private Limited 6. Goldpink Aqua Culture Private Limited
Any Body corporate in which a body corporate as provided above holds ten percent or more of the equity share capital	-
Any Hindu Undivided Family or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than ten percent	-
Partnership firm/ LLP in which promoter or any of his relative is having interest.	**LLP** Bright Commotrade LLP Agave Tradecom LLP **Partnership Firm:** Agni Aqua Farm Akash Aqua Farm Dhaval Aqua Farm Jal Aqua Farm Pruthvi Aqua Farm

	Deep Aqua Farm Dinkar Aqua Farm Divya Aqua Farm Darshan Aqua Farm Preety Aqua Farm Dilip Aqua Farm Kimi Aqua Farm Rohan Aqua Farm S R Aqua Farm Vayu Aqua Farm Tapi Aqua Farm Shanti Aqua Farm

For further details on our Promoter Group refer Chapter Titled “Financial Information of our Group Companies” beginning on page 128 of Draft Prospectus.

FINANCIAL INFORMATION OF OUR GROUP COMPANY

The definition of 'group companies' was amended pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2015, to include companies covered under applicable accounting standards and such other companies as are considered material by the Board. Pursuant to a Board resolution dated May 24, 2016, our Board formulated a policy with respect to companies which it considered material to be identified as group companies, pursuant to which the following entities are identified as Group Companies of our Company.

Except as stated below, there are no companies which are considered material by the Board of Directors of our Company to be identified as group companies

The list of our Group Companies/Entities

1. Jacob Foods Private Limited
2. Rati Aqua Private Limited
3. Gold Pink Aquaculture Private Limited
4. Navik Aqua Private Limited
5. Susan Aqua Private Limited
6. Mukesh Hotels Private Limited
7. S.R. Aqua Farm
8. Dhaval Aqua Farm
9. Rohan Aqua
10. Akash Aqua Farm
11. Preety Aqua Farm
12. Tapi Aqua Farms
13. Vayu Aqua Farms
14. Pruthvi Aqua Farms
15. Jal Aqua Farms
16. Agni Aqua Farm

As per sub clause C(2) of clause (IX) of Schedule VIII, we have provided the financial information for the Five largest unlisted group companies based on turnover.

1. JACOB FOODS PRIVATE LIMITED (JFPL)

Brief Corporate Information

Jacob Foods Private Limited (JFPL) was incorporated under the Companies Act, 1956 vide certificate of incorporation dated December 12, 2000 with the registrar of the companies Gujarat Dadra and Nagar Haveli. The registered office is situated at Olpad GIDC Room No.2, Pl No. 4,5, Ta Olpad Surat - 394540. The corporate identification number of Company is U51229GJ2000PTC39046.

Current Nature of Activities

JFPL is engaged in the business of aquaculture - Harvesting Prawns.

Board of Directors

As on March 31, 2016, the Board of Directors comprised of:

Sr. No.	Name of the Directors	Designation	DIN Number
1.	Mr.Shantilal Ishwarbhai Patel	Director	01362109
2.	Mr.Pradeep Ratilal Navik	Director	01067716

Shareholding Pattern

As on March 31, 2015, the Shareholding Pattern is as follows.

Sr. No	Name of the shareholder	Number of Equity shares held	Percentage holding (%)
1.	Mr.Shantilal Ishvarbhai Patel	5,000	50%
2.	Mr.Pradeep Ratilal Navik	5,000	50%
	Total	**10,000**	**100.00%**

Financial Performance

The summary of audited financials for the previous years are as follows:

(₹ in lakhs except per share data)

Particulars	March 31, 2015	March 31, 2014	March 31, 2013
Equity Share Capital (face value ₹ 10/- each)	1.00	1.00	1.00
Reserves & Surplus (excluding revaluation reserve)	41.84	35.34	(0.78)
Total Revenue	1285.34	1326.45	270.13
Profit/ (Loss) after Tax	6.49	36.13	(0.45)
Earnings Per Share (in ₹)	64.91	361.29	(4.49)
Net Asset Value Per Share (in ₹)	428.4	363.4	2.2

- The Company is not a listed Company
- The Company is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act,1985 nor is under winding up.
- There are no defaults in meeting any Statutory/Bank/Institutional dues and no proceedings have been initiated for economic offences against the Company

2. RATI AQUA PRIVATE LIMITED (RAPL)

Brief Corporate Information

Rati Aqua Private Limited (RAPL) was incorporated under the Companies Act, 1956 vide certificate of incorporation dated June 18, 2010 with the registrar of the companies Gujarat, Dadra and Nagar Haveli. The Registered office is situated at Olpad GIDC Room No.1, Pl No. 4,5, Ta Olpad, Surat - 394540, Gujarat. The corporate identification number of Company is U05004GJ2010PTC061150.

Current Nature of Activities

RAPL is engaged in the business of Trading in Aqua Products

Board of Directors

As on March 31, 2016, the Board of Directors comprised of:

Sr. No.	Name of the Directors	Designation	DIN Number
1.	Mr. Shantilal Patel	Director	01362109
2.	Mr. Pradeep Navik	Director	01067716
3.	Mr. Rohan Navik	Director	02531248

Shareholding Pattern

As on March 31, 2015, the Shareholding Pattern is as follows.

Sr.	Name of the shareholder	Number of Equity shares	Percentage holding

No		held	(%)
1.	Mr. Pradeep Navik	1,03,300	18.45
2.	Mr. Shantilal Patel	1,03,300	18.45
3.	Mr. Rohan Navik	1,03,400	18.46
4.	Mrs. Rashmibahen Patel	1,00,000	17.86
5.	Mrs. Susanben Navik	1,00,000	17.86
6.	M/s. Angoora Tradefin Private Limited	10,000	1.79
7.	M/s. P.G. Commercial Private Limited	10,000	1.79
8.	M/s. Anupam Advisory Private Limited	10,000	1.79
9.	M/s. Sidlaw Commercials Private Limited	10,000	1.79
10.	M/s. Dicco Transport Corporation Limited	10,000	1.79
	Total	**5,60,000**	**100.00%**

Financial Performance

The summary of audited financials for the previous years are as follows:

(₹ in lakhs except per share data)

Particulars	March 31, 2015	March 31, 2014	March 31, 2013
Equity Share Capital (face value ₹ 10/- each)	56.00	56.00	56.00
Reserves & Surplus (excluding revaluation reserve)	95.50	95.35	95.10
Total Revenue	87.57	90.46	80.82
Profit/ (Loss) after Tax	0.15	0.25	0.26
Earnings Per Share (in ₹)	0.03	0.05	0.05
Net Asset Value Per Share (in ₹)	27.05	27.03	26.98

- The Company is not a listed Company
- The Company is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is under winding up.
- There are no defaults in meeting any Statutory/Bank/Institutional dues and no proceedings have been initiated for economic offences against the Company.

3. M/s ROHAN AQUA

M/s Rohan Aqua is a partnership firm formed on April 1, 2008 under The Indian Partnership Act, 1932. On account of admission of new partner, the partnership firm was reconstituted on September 20, 2011 and new partner was admitted with effect from August 01, 2011. The principle place of business is situated at Dandi, Tal: Olpad, Dist Surat - 394520, Gujarat. It is mainly engaged in processing of Aqua Products and such type of ancillaries business activities.

Name of the Partners and their Profit Sharing ratio:

Sr. No.	Partners	Profit/Loss Sharing ratio
1.	Mrs. Lilaben Khalasi	20%
2.	Mr. Pradeep Navik	40%
3.	Mrs. Bhanumatiben Navik	10%
4.	Mr. Madhubhai Khalasi	10%
5.	Mr. Ashokbhai Khalasi	5%
6.	Mr.. Kantibhai Khalasi	5%
7.	Mr. Vicky Khalasi	10%

Financial Performance:

The following information has been derived from the un audited financial statements of M/s Rohan Aqua:

(₹ in Lacs)

Particulars	March 31, 2015	March 31, 2014	March 31, 2013
Capital	30.23	22.95	14.72
Total Income	89.96	89.03	79.03
Net Profit	1.03	1.29	1.14

4. M/s S. R. AQUA FARMS

M/s S.R. Aqua Farms, a partnership firm constituted on April 1, 2003 under The Indian Partnership Act, 1932. The said partnership firm was reconstituted on April 1, 2008 due to change in partners. The Principal place of business is situated at Plot No. 13, Block No. 846, Tal. Olpad, Dist. Surat. It is engaged in the business of producing and trading activity of Aqua product and such other ancillaries type of business.

Name of the Partners and their Profit Sharing ratio:

Sr. No	Partners	Profit/Loss Sharing ratio
1.	Mr. Rohan Navik	**30%**
2.	Mr. Shantilal Patel	**30%**
3.	Mr. Milankumar Pote	**30%**
4.	Mr. Chhaganbhai Bhagwagar	**5%**
5.	Mr. Pravinbhai Bhagwagar	**5%**
	Total	**100%**

Financial Performance:

The following information has been derived from the unaudited financial statements of S. R. Aqua Farms:

(₹ in Lacs)

Particulars	March 31, 2015	March 31, 2014	March 31, 2013
Capital	13.34	13.39	7.51
Total Income	5.93	7.18	6.10
Net Profit	0.25	1.59	0.79

4. M/s TAPI AQUA FARMS

M/s Tapi Aqua Farms is a Partnership firm constituted on January 08, 2003 under The Indian Partnership Act, 1932.The said partnership firm was reconstituted due to change in partners on May 13, 2005 and April 01, 2009. The Principal place of business at Village Delasha,Tal. Olpad, Dist. Surat. The firm is in the business of producing and trading activity of Aqua produce and its ancillaries and such types of other business.

Name of the Partners and their Profit Sharing ratio:

Sr. No	Partners	Profit/Loss Sharing ratio
1.	Mr. Pradeep Navik	**10 %**
2.	Ms. Susanben Navik	**30 %**
3.	Mr. Manojbhai Sharma	**5 %**
4.	Mr. Dineshbhai Patel	**5 %**
5.	Mr. Rohan Navik	**50 %**

Financial Performance:

The following information has been derived from the unaudited financial statements of Tapi Aqua Farms:

(₹ in Lacs)

Particulars	March 31, 2015	March 31, 2014	March 31, 2013
Capital	15.44	13.97	(29.50)
Total Income	4.67	7.35	2.61
Net Profit	0.18	0.22	0.17

Common Pursuit:

Our group entities are engaged in the similar line of Business of our company. Company does not have any non compete agreement/arrangement with any of the group entities. Such conflict of interest may adversely effect on our business

Dissociation of Promoter in the Last Three Year:

Details about Companies/Firms from which Promoters have disassociated during the last three years

Sr. No.	Name of promoter	Name of the Company	Date of Disassociation	Reason for Disassociation
1.	Mr. Pradeep Ratilal Navik	Gold Pink Aquaculture Private Limited	September 07, 2013	Due to Pre occupation
2.	Mr. Pradeep Ratilal Navik	Navik Aqua Private Limited	September 07, 2013	Due to Pre occupation
3.	Mr. Shantilal Ishwarbhai Patel	Gold Pink Aquaculture Private Limited	September 07, 2013	Due to Pre occupation
4.	Mr. Shantilal Ishwarbhai Patel	Navik Aqua Private Limited	September 07, 2013	Due to Pre occupation

Interest of Our Promoter Group, Group Companies:

Except as mention under Related Party Transaction, Annexure XVII beginning on page no 157 under the chapter titled "Auditors Report and Financial Information of our Company" there is no business interest among Group Company.

Sale Or Purchase Between Our Company And Our Promoter Group Companies :

For details, see "Annexure XVII" beginning on page no 157 under chapter titled "Auditors Report and Financial Information of our Company"

Defunct /Struck of Company:

Except M/s King Marine Products Private limited, none of our Promoter Group Companies and Entities has remained defunct and no application has been made to the Registrar of Companies for striking off their name from the register of companies, during the five years preceding the date of filing of this Draft Prospectus. M/s King Marine Products Private limited has been strike off under section 560 of the Companies Act.

RELATED PARTY TRANSACTIONS

For details of the related party transaction of our Company, see Annexure XVII and Notes IV to Accounts to the financial statements respectively, in "Auditors Report and Financial Information of Our Company" beginning from page 157 of this Draft Prospectus.

DIVIDEND POLICY

Under the Companies Act, our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the Annual General Meeting. The shareholders of our Company have the right to decrease not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends.

The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

Our Company has not declared any dividends during the last five fiscal years.

FINANCIAL STATEMENT AS RESTATED

Independent Auditor's Report for the Restated Financial Statements of Zeal Aqua Limited

The Board of Directors
Zeal Aqua Limited
Plot No.04/05, Olpad G.I.D.C,
Nr.Olpad Ice Factory,
Olpad,Surat

Dear Sirs,

1. We have examined the attached Restated Statement of Assets and Liabilities of **Zeal Aqua Limited(the Company)**as at December 31, 2015, March 31, 2015, March 31, 2014,March 31, 2013, March 31, 2012, and March 31, 2011 and the related Restated Statement of Profit & Loss and Restated Statement of Cash Flow for the financial period/year ended on December 31, 2015, March 31, 2015, March 31, 2014,March 31, 2013, March 31, 2012, and March 31, 2011 (collectively the "**Restated Summary Statements**" or "**Restated Financial Statements**"). These Restated Summary Statements have been prepared by the Company and approved by the Board of Directors of the Company in connection with the Initial Public Offering (IPO) in SME Platform of BSE Limited**("BSE").**

2. These Restated Summary Statements have been prepared in accordance with the requirements of:
   (i) Part I of Chapter III to the Companies Act, 2013 ("**Act**");
   (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 ("**ICDR Regulations"**) issued by the Securities and Exchange Board of India ("**SEBI"**) in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time;
   (iii) The terms of reference to our engagements with the Company letter dated 1st December 2014 requesting us to carry out the assignment, in connection with the Draft Prospectus/ Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in SME Platform of BSE Limited("**IPO**" or "**SME IPO**"); and
   (iv) The Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India ("**Guidance Note**").

3. The Restated Summary Statements of the Company have been extracted by the management from the Audited Financial Statements of the Company for the financial period/yearended on December 31, 2015, March 31,2015, March 31 2014, March 31, 2013, March 31, 2012 and March 31, 2011 which have been approved by the Board of Directors.

4. In accordance with the requirements of Part I of Chapter III of Act, ICDR Regulations, Guidance Noteand Engagement Letter, we report that:

   (i) The "**Restated Statement of Assets and Liabilities**" as set out in **Annexure I** to this report, of the Company as at December 31, 2015, March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012, and March 31, 2011 are prepared by the Company and approved by the Board of Directors. These 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.
   (ii) The "**Restated Statement of Profit and Loss**" as set out in **Annexure II** to this report, of the Company for the financial period/yearended on December 31, 2015, March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012, and March 31, 2011 are prepared by the Company and approved by the Board of Directors. These 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.

(iii) The "**Restated Statement of Cash Flow**" as set out in **Annexure III** to this report, of the Company for the financial period/yearended on December 31, 2015, March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012, and March 31, 2011 are prepared by the Company and approved by the Board of Directors. These 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.

5. Based on the above, we are of the opinion that the Restated Financial Statements have been made after incorporating:
   a) Adjustments for the changes in accounting policies retrospectively in respective financial years/period to reflect the same accounting treatment as per the changed accounting policy for all reporting periods.
   b) Adjustments for prior period and other material amounts in the respective financial years/period to which they relate and there are no qualifications which require adjustments.
   c) There are no extra-ordinary items that need to be disclosed separately in the accounts and qualifications requiring adjustments.
   d) There were no qualifications in the Audit Reports issued by the Statutory Auditors for the financial period/year ended on December 31, 2015, March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012, and March 31, 2011 which would require adjustments in this Restated Financial Statements of the Company.
   e) These Profits and Losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Restated Summary Statements as set out in **Annexure IV** to this report.
6. Audit for the financial year ended March 31, 2013, March 31, 2012 and March 31, 2011 was conducted by M/s. Modh & Co., Chartered Accountants. and accordingly reliance has been placed on the financial information examined by them for the said years. The financial report included for these years is based solely on the report submitted by them. The financial statements for the period/year ended December 31, 2015, March 31, 2015 and March 31, 2014 have been audited by us i.e. M/s. Pary & Co.
7. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the financial period/year ended on December 31, 2015, March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012, and March 31, 2011 proposed to be included in the Draft Prospectus/Prospectus ("**Offer Document**").

Annexure of Restated Financial Statements of the Company:-

1. Significant Accounting Policies in Annexure IV;
2. Details of Long Term Borrowings as Restated as appearing in ANNEXURE VII to this report;
3. Details of Short Term Borrowings as Restated as appearing in ANNEXURE XI to this report;
4. Details of Non-Current Investments as Restated as appearing in ANNEXURE XII to this report;
5. Details of Long Term Loans & Advances as Restated as appearing in ANNEXURE XIII to this report;
6. Details of Trade Receivables as Restated enclosed as ANNEXURE XVI to this report;
7. Details of Short Term Loans & Advances as Restated as appearing in ANNEXURE XVII to this report;
8. Details of Other Income as Restated as appearing in ANNEXURE XIX to this report;
9. Capitalization Statement as Restated as at December 31, 2015 as appearing in ANNEXURE XX to this report;
10. Statement of Tax Shelters as Restated as appearing in ANNEXURE XXI to this report;

11. Details of Related Parties Transactions with the Directors as Restated as appearing in ANNEXURE XXII to this report;
12. Details of Significant Accounting Ratios as Restated as appearing in ANNEXURE XXIII to this report.
13. Reconciliation of Restated Profit as appearing in ANNEXURE XXIV to this report.
14. Contingent Liabilities.

8. We, Pary & Co., have been subjected to the peer review process of the Institute of Chartered Accountants of India ("**ICAI**") and hold a valid peer review certificate issued by the "Peer Review Board" of the ICAI.
9. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.
10. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
12. In our opinion, the above financial information contained in Annexure I to XXI of this report read with the respective Significant Accounting Polices and Notes to Restated Summary Statements as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.
13. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

For Pary & Co,
Chartered Accountants
Firm Registration No : 007288C

Akash R.Gaglani
Partner
Membership No.: 114255

Date: 1st May, 2016
Place: Surat

STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

ANNEXURE I
(Rs. in Lacs)

Sr. No.	Particulars	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015	As at December 31, 2015
1)	**Equity & Liabilities**						
	Shareholders' funds						
	a. Share capital	130.00	150.00	150.00	191.70	306.72	306.72
	b. Reserves & surplus	226.60	727.70	867.83	1433.17	1633.87	1724.89
	C. Share Application Money	13.00	-	-	-	-	-
2)	**Non-current liabilities**						
	a. Long term borrowings	218.30	394.19	435.74	536.02	448.80	502.67
	b.Long term Provisions	1.10	2.83	3.92	4.93	6.10	8.72
	c. Deferred tax liabilities (net)	2.23	4.42	13.36	18.59	3.42	(25.97)
3)	**Current liabilities**						
	a. Trade payables	199.50	112.90	207.47	371.02	221.78	635.61
	b. Other current liabilities	18.56	69.64	299.38	459.41	90.40	51.53
	c. Short term provisions	41.68	58.05	69.07	166.30	157.70	103.44
	d.Short Term Borrowings	864.79	842.35	1778.08	788.38	3433.19	3859.91
	T O T A L (1+2+3)	**1715.76**	**2362.08**	**3824.85**	**3969.52**	**6301.98**	**7167.52**
4)	**Non-current assets**						
	a. Fixed assets						
	i. Tangible assets	174.81	667.50	864.81	1087.91	1379.37	1282.19
	ii. Intangible assets	-	-	-	-	-	-
	iii.Capital work in progress	66.40	94.13	-	-	680.12	1096.76
	b.Non-current investment	0.20	10.29	10.29	47.74	10.29	10.29
	c. Deferred tax assets (net)	-	-	-	-		
	d. Long term loans &advances	0.41	06.39	06.68	21.41	28.10	31.61

Sr. No.	Particulars	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015	As at Decembe r 31, 2015
	e. Other non-currentassets	0.13	0.08	0.03	-		
5)	**Current assets**						
	a. Inventories	79.22	71.52	78.37	97.56	78.69	306.89
	b. Trade receivables	1130.51	1030.70	2357.67	1334.63	2197.12	2436.29
	c. Cash and cash equivalents	21.76	31.62	80.33	117.58	1427.49	1499.27
	d. Short term loans & advances	242.32	449.85	274.60	298.94	485.80	489.22
	e. Other current assets	-	-	152.07	963.75	15.00	15.00
	T O T A L (4+5)	**1715.76**	**2362.08**	**3824.85**	**3969.52**	**6301.98**	**7167.52**

STATEMENT OF PROFIT AND LOSS AS RESTATED

ANNEXURE II
(Rs. in Lacs)

Sr. No.	Particulars	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015	As at December 31, 2015
	INCOME						
	Revenue from Operations						
	Manufacturing Turnover	-	1171.95	1504.63	1792.18	1818.15	1809.31
	Trading turnover	5598.32	5194.86	5611.85	11553.24	14903.65	7231.43
	Other Operating Income	110.71	119.46	106.46	253.99	412.44	96.62
	Other income	6.24	-	2.64	17.18	31.05	20.23
	Total revenue (A)	**5715.27**	**6486.27**	**7225.58**	**13616.59**	**17165.29**	**9157.59**
	EXPENDITURE						
	Purchase of stock-in-trade	5232.16	5204.78	5906.80	11773.76	15050.06	7774.04
	Changes in inventories of finished goods, traded goods and work-in-progress	(21.55)	7.70	(6.85)	(19.19)	18.87	(228.19)
	Employee benefit expenses	21.44	29.83	35.88	54.62	69.02	71.38
	Finance costs	139.80	281.26	362.51	348.14	393.80	347.22
	Depreciation and amortization expense	9.75	73.00	71.19	86.07	240.39	242.75
	Other expenses	202.62	706.88	637.10	852.94	985.93	802.25
	Total expenses (B)	**5584.22**	**6303.45**	**7006.63**	**13096.34**	**16758.07**	**9009.45**
	Profit before tax (A-B)	131.05	182.82	218.95	520.25	407.22	148.14
	Prior period items (net)	-	-	-	-	-	-
	Profit before exceptional, extraordinary items and tax	131.05	182.82	218.95	520.25	407.22	148.14
	Exceptional items	-	-	-	-		
	Profit before extraordinary	131.05	182.82	218.95	520.25	407.22	148.14

Sr. No.	Particulars	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015	As at December 31, 2015
	items and tax						
	Extraordinary items	-	-	-	-	-	-
	Profit before tax	131.05	182.82	218.95	520.25	407.22	148.14
	Tax expense:						
	(i) Current tax	41.66	58.00	69.00	165.00	115.00	42.50
	(ii) Deferred tax (asset)/liability	2.02	2.19	8.94	5.23	(15.17)	(29.40)
	Total tax expense	43.68	60.19	77.94	170.23	99.83	13.10
	Profit for the year/ period	87.37	122.63	141.01	350.02	307.39	135.04
	Earning per equity share(face value of Rs. 10/- each): Basic and diluted (Rs.)	8.74 8.74	9.43 9.43	9.40 9.40	19.60 19.60	10.02 10.02	4.40 4.40
	Adjusted earning per equity share(face value of Rs. 10/- each): Basic and diluted (Rs.)	8.74 8.74	9.43 9.43	9.40 9.40	19.60 19.60	10.02 10.02	4.40 4.40

STATEMENT OF CASH FLOW AS RESTATED

ANNEXURE III
(Rs. in Lacs)

Particulars	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015	As at December 31, 2015
Cash flow from operating activities:						
Net profit before tax as per statement of profit and loss	131.05	182.82	218.95	520.25	407.22	148.14
Adjusted for:						
Preliminary expenses	0.05	0.05	0.05	0.03	-	-
Provision for gratuity	0.43	1.75	1.10	1.07	1.03	2.63
Depreciation & amortization	9.70	72.95	71.19	86.04	240.39	242.75
Interest & Finance Cost	139.80	281.26	362.51	303.00	393.42	339.91
Profit on sale of Fixed Assests	-	-	-	(2.53)	-	-
Interest Income on FD	(6.24)	-	-	(14.65)	-	-
Profit on Sale of MF	-	-	-	-	-	-
Loan Processing Fees	-	-	-	45.13	0.38	7.31
Operating profit before working capital changes	**274.79**	**538.83**	**653.80**	**938.34**	**1042.44**	**740.74**
Adjusted for:						
(Increase)/ decrease in inventories	7.70	(6.85)	(19.19)		18.87	(228.19)
(Increase)/ decrease in trade receivables	(339.29)	99.81	(1326.97)	1023.04	(862.48)	(239.16)
(Increase)/ decrease in loans and advances and other assets	(168.44)	(226.99)	175.25	(808.43)	598.15	(3.43)
Increase/ (decrease) in liabilities & provisions	120.85	(86.60)	94.57	163.55	2267.35	333.58
Increase/ (decrease) in trade payables	15.58	13.02	1107.47	143.82	(149.24)	413.83
Cash generated from operations	(118.05)	319.73	697.27	1441.13	2915.09	1017.37
Excess IT Provision	-	-	-	-	8.33	(44.02)
Direct tax paid	(34.88)	(1.53)	(0.87)	(87.19)	(115.00)	(42.50)
Net cash flow from operating activities (A)	**(152.93)**	**318.20**	**696.40**	**1353.94**	**2808.42**	**930.85**
Cash flow from investing activities:						
Purchase of fixed assets	(167.19)	(593.38)	(174.36)	(37.44)	(536.20)	(145.57)
Sale of Fixed Assets	-	-	-	4.75	4.34	0.63
Investments in WIP	(66.39)	-	-	-	(680.12)	(417.27)
Proceeds from LongTerm Loans & Advances	-	13.49	(0.29)	-	-	-
Security Deposits Given	-	-	-	(14.73)	-	-
Loans & advances given to Others	-	-	-	(2.59)	-	-

Particulars	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015	As at December 31, 2015
Investment in FD	-	-	(152.08)	-	(53.79)	(54.50)
Interest Income on FD	6.23	-	-	14.64	-	-
Purchase of Investments	-	(10.09)	-	(311.35)	-	-
Profit on sale of MF	-	-	-	-	-	-
Net cash flow used in investing activities (B)	**(227.35)**	**(589.98)**	**(326.73)**	**(346.72)**	**(1265.77)**	**(616.71)**
Cash flow from financing activities:						
Proceeds from issue of equity shares	163.00	400.00	-	250.20	-	
Proceeds from Long Term Borrowings	190.72	175.88	41.55	266.51	1.62	100.00
Repayment of Loans & Advances	(269.68)	-	-	(1138.55)	(95.54)	(46.12)
Application Money Refunded	-	(13.00)	-	-	-	
Loan Processing Fees Incurred/Security Deposit given	-	-	-	(45.13)	-	(3.51)
Finance Cost	(139.80)	(281.26)	(362.50)	(303.00)	(393.80)	(347.22)
Net cash flow from/(used in) financing activities (C)	**(55.76)**	**281.62**	**(320.95)**	**(969.97)**	**(487.72)**	**(296.85)**
Net increase/(decrease) in cash & cash equivalents (A+B+C)	(436.04)	9.85	48.71	37.25	1054.93	17.28
Cash & cash equivalents as at beginning of the year	457.81	21.76	31.61	80.32	117.57	1172.50
Cash & cash equivalents as at end of the year	21.76	31.61	80.32	117.57	1172.50	1189.78

SIGNIFICANT ACCOUNTING POLICIES

ANNEXURE IV

Nature of Operations

The Company was Incorporated on 06/03/2009. The Company is mainly engaged in business of **Shrimp Farming** and **Trading of Prawns, Prawns Feed Seeds** and **Medicines**.

Significant accounting policies

Basis of accounting and preparation of financial statements

These financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under section 211(3C) & the other relevant provisions of the Companies Act, 1956 and Companies Act 2013 and other pronouncements of the Institute of Chartered Accountants of India.
All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Revised Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle to be less than 12 months.

Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Cash flow statement

Cash flows are reported using the indirect method, whereby loss before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

Depreciation and amortisation

Depreciation on Fixed Assets is Provided in manner Prescribed in Schedule II of Companies Act,2013. Intangible assets are amortised over the estimated useful lives of the assets or period of 3 years, whichever is shorter.

Revenue recognition

(a) 'Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers.
(b) Gross Sales (net of Return) include VAT/CST, wherever applicable.

(c) Other Income is recognized on accrual basis.
(d) Dividend Income is recognized when right to receive dividend is established.
(e) Interest Income is recognized when no significant uncertainty as to its realization exists and is accounted for on time proportion basis at contracted rates.
(f) Scrap, Salvage/Waste materials and sweepings are accounted for on realization.
(g) Insurance and other miscellaneous claims are recognized on receipt/acceptance of claim. Contractual pass through incentives, benefits, etc. are recognized on receipt basis.

Tangible fixed assets, Intangible assets and work-in-progress

Fixed assets are stated at cost, less accumulated depreciation and impairment, if any. Direct costs are capitalized until fixed assets are ready for use. Capital work-in-progress comprises of the cost of fixed assets that are not yet ready for their intended use at the reporting date. Intangible assets are recoded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment.

Investments

Long-term investments are carried individually at acquisition cost less provision for diminution, other than temporary, in the value of long term investments.

Borrowing costs

Borrowing costs relating to the acquisition / construction of qualifying assets are capitalised until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

Inventories

Finished goods are valued at the lower of cost and net realisable value.

Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

Taxes on income

'Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as

an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their reliability.

Current and deferred tax relating to items directly recognised in equity is recognised in equity and not in the Statement of Profit and Loss.

Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

Employee benefits

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Profit and Loss account of the year in which the related service is rendered. Post-employment and other long term employee benefits are recognized as an expense in the Profit and Loss account for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post-employment and other long term benefits are charged to the Profit and Loss account.

Foreign currency transactions

Foreign currency transactions are recorded on the basis of exchange rates prevailing on the date of the transactions.Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date.Exchange differences arising on foreign exchange transactions during the year and on restatement of monetary assets and liability are recognized in the profit and loss account of the year.

Impairment of Assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value.An impairment loss is charged to the profit & Loss Account in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable account in subsequent period.

Identification of segments

The Company is engaged in Providing & Selling its products in single economic environment in India. i.e. There is a single geographical segment. Also company has single business statement and is the only reportable segment.

Preliminary Expenses

The balance of Preliminary expenses is carried as a Non-Current asset and is amortised over a period of 5 years from the date of the issue of shares.

Nature of Operations

The Company was Incorporated on 06/03/2009. The Company is mainly engaged in business of **Shrimp Farming** and **Trading of Prawns, Prawns Feed Seeds** and **Medicines**.

Significant accounting policies

Basis of accounting and preparation of financial statements

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All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Revised Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle to be less than 12 months.

Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Cash flow statement

Cash flows are reported using the indirect method, whereby loss before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

Depreciation and amortisation

Depreciation on Fixed Assets is Provided in manner Prescribed in Schedule II of Companies Act,2013. Intangible assets are amortised over the estimated useful lives of the assets or period of 3 years, whichever is shorter.

Revenue recognition

(a) 'Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers.
(b) Gross Sales (net of Return) include VAT/CST, wherever applicable.
(c) Other Income is recognized on accrual basis.
(d) Dividend Income is recognized when right to receive dividend is established.
(e) Interest Income is recognized when no significant uncertainty as to its realization exists and is accounted for on time proportion basis at contracted rates.
(f) Scrap, Salvage/Waste materials and sweepings are accounted for on realization.
(g) Insurance and other miscellaneous claims are recognized on receipt/acceptance of claim. Contractual pass through incentives, benefits, etc. are recognized on receipt basis.

Tangible fixed assets, Intangible assets and work-in-progress

Fixed assets are stated at cost, less accumulated depreciation and impairment, if any. Direct costs are capitalized until fixed assets are ready for use. Capital work-in-progress comprises of the cost of fixed assets that are not yet ready for their intended use at the reporting date. Intangible assets are recoded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment.

Investments

Long-term investments are carried individually at acquisition cost less provision for diminution, other than temporary, in the value of long term investments.

Borrowing costs

Borrowing costs relating to the acquisition / construction of qualifying assets are capitalised until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

Inventories

Finished goods are valued at the lower of cost and net realisable value.

Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

Taxes on income

'Current tax is the amount of tax payable on the taxable income for the year as determined in

accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their reliability.

Current and deferred tax relating to items directly recognised in equity is recognised in equity and not in the Statement of Profit and Loss.

Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

Employee benefits

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Profit and Loss account of the year in which the related service is rendered. Post-employment and other long term employee benefits are recognized as an expense in the Profit and Loss account for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post-employment and other long term benefits are charged to the Profit and Loss account.

Foreign currency transactions

Foreign currency transactions are recorded on the basis of exchange rates prevailing on the date of the transactions.Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date.Exchange differences arising on foreign exchange transactions during the year and on restatement of monetary assets and liability are recognized in the profit and loss account of the year.

Impairment of Assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value.An impairment loss is charged to the profit & Loss Account in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable account in subsequent period.

Identification of segments

The Company is engaged in Providing & Selling its products in single economic environment in India. i.e. There is a single geographical segment. Also company has single business statement and is the only reportable segment.

Preliminary Expenses

The balance of Preliminary expenses is carried as a Non-Current asset and is amortised over a period of 5 years from the date of the issue of shares.

DETAILS OF LONG TERM BORROWINGS AS RESTATED

ANNEXURE VII
(₹ in Lacs)

Particulars	As at March 31,					As at December 31, 2015
	2011	2012	2013	2014	2015	
Secured						
	17.10	231.11	159.33	124.57	65.15	36.26
Unsecured						
	201.20	163.09	276.41	411.46	383.65	466.41
TOTAL	**218.30**	**394.20**	**435.74**	**536.03**	**448.80**	**502.67**

Principal terms and conditions of the unsecured loans

Repayment terms	*Repayment of unsecured loan on demand*
Rate of Interest	*12.00% (Interest payment made on year end basis)*

DETAILS OF SHORT TERM BORROWINGS AS RESTATED

ANNEXURE-XI
(₹ in Lacs)

Particulars	As at March 31,					As at December 31, 2015
	2011	2012	2013	2014	2015	
Secured*						
	864.79	842.35	1778.08	788.38	3433.19	3859.90
Unsecured						
	-	-	-	-	-	-
TOTAL	**864.79**	**842.35**	**1778.08**	**788.38**	**3433.19**	**3859.90**

**All secured short term borrowings are sanctioned under consortium finance. Consequently securities are common for all banks which details are given below.*

Principal terms and Conditions of the Secured Loans

Name of the Bank	*Punjab National Bank*	*Bank of India*	*Allahabad Bank*
Rate of Interest	*11.85 %*	*13.25 %*	*12.95%*
Margin	*Book Debts -25 %* *Stock - 25 %*		
Repayment terms	*As per Sanction term*		
Securities			
Primary	*Pari Passu Charge By Way of hypothecation Of Entire Current Assets (Present & future) Of the Company including Stocks Of Row materials,Stocks in process,finished goods, receivable,store,Spares consumables.*		
Collateral	*Commercial Property - Commercial Property at basement floor,1st,2nd,3rd ,4th and Terrace ,Plot No.37, Royal Arcade, Adajan, Surat in the name of Pradeep Navik* *Residential House - Residential House at 11 and 15 ,Sugam Society, Rander Road, Surat in the name of Shri Pradeep Navik & Smt Susan P navik.* *Residential flat - Residential flat at 601 and 606, Ganga Jamuna Appt., Adajan, Surat the name of Smt Susan P navik.* *Residential House - Residential House at 46/47 and 38 ,Hariom*		

	Nagar,Adajan,Surat in the name of Rashmiben Patel and shree Santilal Patel. Rashmiben Patel. *Residential flat - Residential flat at GF,G-1 ,Versova sea Side Co Op Housing Society Ltd,Situated at plot no.37,Jayprakash Road, Andheri (W), Mumbai the name of Pradeep Navik.* *Residential plot - Residential flat at R.S,No 14,A/B paiki of mouje pisad,Taluka – Choryasi,Dist - Surat in the name of Shree Shantilal Patel & Smt.Reshmaben Patel.* *Industrial Plot - Industrial Plot at 4 & 5,GIDC,Olpad,Dist - Surat in the name of Zeal Aqua Pvt.ltd.* *Agricultural land - Agricultural land at Block No.470,477,478, 479 and 624, Vill – Kudiyana, Tal –olpad, Dist - Surat in the name of Pradeep Navik.*

DETAILS OF NON CURRENT INVESTMENTS AS RESTATED

ANNEXURE -XII
(₹ in Lacs)

Particulars	As at March 31,					As at December 31, 2015
	2011	2012	2013	2014	2015	
Investment in Govt.and Trust securities						
	0.20	0.20	0.20	0.20	-	-
Other Investments						
	-	10.09	10.09	47.54	-	-
TOTAL	**0.20**	**10.29**	**10.29**	**47.74**	**-**	**-**

DETAILS OF LONG TERM LOANS & ADVANCES

ANNEXURE – XIII
(₹ in Lacs)

Particulars	As at March 31,					As at December 31, 2015
	2011	2012	2013	2014	2015	
Security deposits	00.41	06.39	06.68	21.41	15.95	19.46
Trade deposits	-	-	-	-	12.15	12.15
Others	-	-	-	-	-	-
TOTAL	**00.41**	**06.39**	**06.68**	**21.41**	**28.10**	**31.61**

DETAILS OF TRADE RECEIVABLES AS RESTATED

ANNEXURE-XVI
(₹ in Lacs)

Particulars	As at March 31,					As at December 31, 2015
	2011	2012	2013	2014	2015	
Unsecured, considered good						
Less than six months	1130.51	995.85	2311.19	1092.83	2197.12	2436.28
More than six months	-	34.85	46.48	241.80	-	-
TOTAL	**1130.51**	**1030.70**	**2357.67**	**1334.63**	**2197.12**	**2436.28**
Amount due from Promoters/Group Companies/Directors						
Jacob Foods Pvt Ltd	**-**	**-**	**-**	**-**	210.87	186.99

DETAILS OF SHORT TERM LOANS & ADVANCES

ANNEXURE – XVII
(₹ in Lacs)

Particulars	As at March 31,					As at December 31, 2015
	2011	2012	2013	2014	2015	
Advance to employees	01.01	04.98	17.54	20.14	20.54	29.29
Advance to Supplier/Others	211.69	384.64	199.99	189.11	340.02	372.11
Balances with government authorities	29.62	60.02	56.71	89.69	124.72	87.82
Others	-	00.20	00.35	-	0.51	-
TOTAL	**242.32**	**449.84**	**274.59**	**298.94**	**485.79**	**489.22**
Amount due from Promoters/Group Companies/Directors	**-**	**-**	**-**	**-**	**-**	**-**

DETAILS OF OTHER INCOME AS RESTATED

Annexure –XIX
(Rs. in Lacs)

Particulars	As at March 31,					As at December 31, 2015	Nature
	2011	2012	2013	2014	2015		
Other income	6.24	-	2.64	17.18	31.05	20.23	Interest Income
Net profit before tax as restated	131.05	182.82	218.95	520.25	407.22	148.14	-
Percentage	**4.76**	**-**	**1.21**	**3.30**	**7.62**	**13.66**	-
Source of income							
Commission income	-	-	-	-	-	-	-
Interest Income	06.24	-	02.59	14.65	31.05	20.19	-
Miscellaneous income	-	-	00.05	02.53	-	0.04	-
Total other income	**06.24**	**-**	**2.64**	**17.18**	**31.05**	**20.23**	-

CAPITALISATION STATEMENT AS AT 31 DECEMBER, 2015

Annexure – XX
(₹ in Lacs)

Particulars	Pre Issue as on 31.03.2015	Pre Issue as on 31.12.2015	Post Issue
Borrowings			
Short term debt (A)	3433.19	3859.91	[●]
Long term debt (B)	448.80	502.67	[●]
Total debts (C)	**3881.99**	**4362.58**	[●]
Shareholders' funds			
Equity share capital	306.72	306.72	[●]
Reserve and surplus - as restated	1633.87	1724.89	[●]
Total shareholders' funds	**1940.59**	**2031.61**	[●]
Long term debt / shareholders' funds	**0.23:1**	**0.25:1**	
Total debt / shareholders' funds	**2.00:1**	**2.15:1**	

STATEMENT OF TAX SHELTERS

Annexure – XXI
(₹ in Lacs)

Particulars	As at March 31,					As at December 31, 2015
	2011	2012	2013	2014	2015	
Profit before tax as per books (A)	131.48	184.57	220.05	521.32	407.22	148.14
Tax Rate (%)	30.90%	32.445%	32.445%	32.445%	32.445%	32.445%
Tax at notional rate on profits	37.63	57.84	62.64	156.95	152.57	48.06
Adjustments :						
Permanent differences (B)						
Expenses disallowed under Income Tax Act, 1961	0.03	0.43	0.57	4.79	13.74	-
Total permanent differences(B)	0.03	0.43	0.57	4.79	13.94	-
Income considered separately (C)	-	-	-	(17.18)	(31.05)	-
Total income considered separately (C)	-	-	(2.59)	(17.18)	(31.05)	-
Timing differences (D)						
Difference between tax depreciation and book depreciation	(6.09)	(6.74)	(27.56)	(39.84)	49.09	-
Difference due to expenses allowable/ disallowable u/s 40	-	-	-	-	-	-
Total timing differences (D)	(6.09)	(6.74)	(27.56)	(39.84)	49.09	-
Net adjustments E = (B+C+D)	(6.06)	(6.31)	(29.58)	(52.23)	31.98	-
Tax expense / (saving) thereon	-	-	-	-	-	-
Income from other sources	-	-	2.59	14.65	31.05	-
Income from other sources (F)	-	-	2.59	14.65	31.05	-
Taxable income/(loss) (A+E+F)	**125.42**	**178.26**	**193.06**	**483.74**	**470.25**	**148.14**
Taxable income/(loss) as per MAT	23.67	184.57	142.12	-	407.22	148.14
Income tax as returned/computed	43.19	58.88	64.91	168.75	160.27	48.06
Tax paid as per normal or MAT	43.19	58.88	64.91	168.75	160.27	48.06

RELATED PARTY TRANSACTION – WITH DIRECTORS

ANNEXURE – XVII
(₹ in Lacs)

Name of Director	Nature of Transaction	Amount of Transaction in 2010-11	Amount Outstanding as on 31.03.11 (Payable) / Receivable	Amount of Transaction in 2011-12	Amount Outstanding as on 31.03.12(Payable)/ Receivable	Amount of Transaction in 2012-13	Amount Outstanding as on 31.03.13 (Payable)/ Receivable
Pradip Ratilal Navik	Director Remuneration	7.20	(7.72)	12.00	-	12.00	(00.56)
	Interest on Unsecured Loan	0.28		01.54		-	
Shantilal Ishwarlal Patel	Director Remuneration	7.20	(35.98)	12.00	01.75	12.00	(01.23)
Rohan Pradipkumar Navik	Director Remuneration	2.56	(14.31)	09.00	(03.13)	12.00	(03.13)
	Interest on Unsecured Loan	4.80		01.20			
Susanben Pradeep Navik	Director Remuneration	3.60	(23.39)	06.00	(08.90)	06.00	(05.54)
Rashmi Shantilal Patel	Director Remuneration	3.60	(22.50)	06.00	(00.51)	06.00	(00.51)
	Interest on Unsecured Loan	1.15		-		-	

Related Party Transaction – With Directors ***ANNEXURE – XVII***

(₹ in Lacs)

Name of Director	Nature of Transaction	Amount of Transaction in 2013-14	Amount Outstanding as on 31.03.14 (Payable)/ Receivable	Amount of Transaction in 2014-15	Amount Outstanding as on 31.03.15 (Payable)/ Receivable	Amount of Transaction till 31/12/2015	Amount Outstanding as on 31.12.15 (Payable)/ Receivable
Pradip Ratilal Navik	Director Remuneration	12.00	(00.96)	24.00	(0.96)	18.00	(0.96)
Shantilal Ishwarlal Patel	Director Remuneration	12.00	(01.35)	24.00	(01.35)	18.00	(01.35)
Rohan Pradip Navik	Director Remuneration	12.00	(03.13)	24.00	(03.13)	18.00	(03.13)
Susanben Pradeep Navik	Director Remuneration	6.00	(05.54)	7.50	(05.54)	-	(05.54)
Rashmi Shantilal Patel	Director Remuneration	6.00	(00.51)	7.50	(00.51)	-	(00.51)
Maheshbhai M Mistry	Unsecured Loan taken	-	-	1.00	(1.00)	-	(1.00)
Naginbhai Paragbhai Patel	Unsecured Loan taken	-	-	1.00	(1.00)	-	(1.00)
Roshan Kadodwala	Unsecured Loan taken	-	-	1.00	(1.00)	-	(1.00)

SUMMARY OF ACCOUNTING RATIOS

Annexure – XXIII
(₹ in Lacs)

Ratio	As at March 31,					As at December31, 2015
	2011	2012	2013	2014	2015	
Restated PAT as per statement of profit and loss	87.37	122.63	141.01	350.02	307.39	148.14
Weighted average number of equity shares at the end of the year/ period	10.00	13.00	15.00	17.86	19.17	30.67
Net worth	369.43	877.70	1017.83	1624.87	1940.59	2031.61
Earnings Per Share	8.74	9.43	9.40	19.60	10.02	4.40
Basic & Diluted (Rs.)*	8.74	9.43	9.40	19.60	10.02	4.40
Return on net worth (%)	23.65	13.97	13.85	21.54	15.84	7.29
Net asset value per share (Rs.)	36.93	67.51	67.85	84.76	101.23	66.24
Nominal value per equity share (Rs.)	10.00	10.00	10.00	10.00	10.00	10.00

RECONCILIATION OF RESTATED PROFIT:

Annexure – XXIV
(₹ in Lacs)

Adjustments for	As at March 31,					As at December 31, 2015
	2011	2012	2013	2014	2015	
Net profit/(loss) after tax as per audited statement of profit & loss	87.80	124.39	142.12	351.10	307.39	148.14
Adjustments for:						
Provision for gratuity	0.43	1.75	1.10	1.07	-	-
Changes in depreciation	-	-	-	-	-	-
Share issue expenses	-	-	-	-	-	-
Changes in current year/period tax	-	-	-	-	-	-
Deferred tax liability / asset adjustment	-	-	-	-	-	-
Net profit/ (loss) after tax as restated	**87.37**	**122.63**	**141.01**	**350.03**	**307.39**	**148.14**

Details of Contingent Liabilities

(₹ in Lacs)

Particulars	As at March 31,					As at December 31, 2015
	2011	2012	2013	2014	2015	
VAT outstanding as per assessment Proceedings	-	-	-	-	-	495.58
Income Tax Demand as per Assessment	-	-	-	-	176.79	176.79

Explanatory notes to the above restatements made in the audited financial statements of the Company for the respective years/ period.

Adjustments having impact on Profit-

(a) Provision for gratuity has been made which had not to be prepared earlier. And adjustment for same is done in restated financial statement.

(b) Depreciation on fixed assets is provided in manner prescribed in schedule II of Companies Act 2013 from April 1, 2014 onwards.

Material Regrouping

Appropriate adjustments have been made in the restated financial statements, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financials of the Company for all the years and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations 2009.

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 9, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations. The following discussion relates to our Company and, is based on our restated financial statements, which have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI Regulations. Portions of the following discussion are also based on internally prepared statistical information and on other sources. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year ("Fiscal Year") are to the twelve-month period ended March 31 of that year.

Business Overview

Our Company was incorporated as "Zeal Aqua Private Limited" at Surat under the provision of the Companies Act, 1956 vide certificate of incorporation dated March 6, 2009 issued by the Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Consequent upon the conversion of our Company to public limited company, the name of our Company was changed to "Zeal Aqua Limited" and fresh certificate of incorporation dated March 31, 2015 was issued by the Assistant Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U05004GJ2009PLC056270.

Our Promoters basically lead the way of aquaculture in Surat around 20 years ago and have individually started cultivation of shrimp with 2 ponds. After continues efforts in various innovation in the field of aquaculture, shrimp farming, satellite farming etc decided to give the business a corporate shape and to accomplish the thought, Our Promoters who were individually engaged in culturing shrimps joined hands in 2009 and incorporated our company "Zeal Aqua Private Limited" to make the business scalable and reap the benefits of synergy. In addition, the introduction of schemes of Government to allot coastal lands for aquaculture purposes to promote this industry and generate a source of revenue for farmers motivated our Promoters to have a vision to develop an advanced, sustained and fully integrated aquaculture system in Surat and also across India.

At present, our Company have approx 160 ponds spread over village Mor, Delasa, Mandorai, Katpore, Nesh, Dandi, Olpad, Orma, Bhagwa, Kantyajal, etc admeasuring area of approx 200 hectares of land wherein the land on which ponds are constructed for cultivation of shrimp by our Company is in accordance with collaboration agreements with various parities. In the year 2011, Mr. Rohan Navik, son of Mr. Pradeep Navik, promoter of our Company, joined the company as Whole time Director and since then he is also looking after the daily business affairs of the company.

Significant developments subsequent to the last financial year:

After December 31, 2015, the Directors of our Company confirm that, there have not been any significant material developments except the following development :

1. The Company had created charge on the assets of the Company both movable and immovable on January 25, 2016 in favor of Syndicate bank for Rs. 2400.00 lacs, Allahabad Bank for Rs. 1100.00 lacs and Punjab National bank for Rs. 1100.00 lacs for term loan and working capital limit for the Shrimp processing plant.
2. The Company had purchased the land admeasuring 35076 Sq. Mtrs. at block number 345/B/6, Village Orma, Sub District Olpad, Distrcit Surat from Mr. Shantilal Patel, one of the director of the Company on January 25, 2016.

Discussion on Results of Operation:

The following discussion on results of operations should be read in conjunction with the Audited Financial Results of our Company for the years ended March 31, 2013, 2014, 2015 and Nine months period ended December 31, 2015.

Key factors affecting the results of operation:

Our Company's future results of operations could be affected potentially by the following factors:

- Political Stability of the Country.
- World Economy.
- Government policies for the capital markets.
- Investment Flow in the country from the other countries.
- Government policy for costal Aqua Agriculture sector.
- Competition from existing players.
- Company's ability to successfully implement our growth strategy.
- The loss of shutdown of operations of our Company at any time due to strike or labour unrest or any other reasons,
- Loss due to delay in execution of projects in time.

OUR SIGNIFICANT ACCOUNTING POLICIES

For Significant accounting policies please refer Significant Accounting Policies, "Annexure IV" beginning under Chapter titled "Financial Information of our Company" beginning on page 135 of the Draft Prospectus.

RESULTS OF OUR OPERATION

For the Nine months ended December 31, 2015.

(₹ in Lacs)

	December 31, 2015	**% of total revenue**
Manufacturing	1,809.30	
Trading	7,231.44	
Other Operating reevenue	96.62	
Total Revenue	9,137.36	
Other Income	20.23	
Total Revenue	9,157.59	
Expenses		
Traded Products and Raw Material Consumed	7774.05	84.89
Changes in inventories of finished goods, work-in-progress and stock-in-trade	-228.20	
Employee benefits expense	71.38	0.78
Finance Costs	**347.22**	3.79
Other expenses	802.25	8.76
Depreciation and amortisation expenses	242.75	2.65
Total Expenses	**9,009.45**	
% to total revenue		98.38
EBIDT	738.11	8.06
Restated profit before tax from continuing operations	148.14	1.62

Total tax expense	13.10	
Restated profit after tax from continuing operations (A)	135.04	1.47

Total Revenue

The total revenue operations for the Nine months period ended December 31, 2015 is ₹ 9137.36 Lacs which includes turnover from trading activity amounting to ₹ 7231.44 lacs which includes satellite farming, from manufacturing activity amounting to ₹ 1809.30 lacs, Other Operating Income 96.62 lacs and Other Income of ₹ 20.23 lacs. The other income includes Interest income on Fixed Deposits.

Expenditure:

Raw material Consumed and Purchases Traded

The Total value of goods purchased was ₹ 7774.05 Lacs for Nine months period ended December 31, 2015 which is 84.89 % of the total revenue.

Employee Benefit Expenses

Employee Benefit expenses was ₹ 71.38 Lacs for Nine months period ended December 31, 2015. The Employee Benefit expenses was 0.78 % of total Revenue.

Other Expenses

Other Expenses were ₹ 802.25 Lacs for Nine months period ended December 31, 2015. The Other Expenses was 8.76 % of total revenue. The Other expenses includes expenses towards Electricity charges, Diesel Charges, and site labor and wages expenses..

Interest & Financial Charges

Interest & Financial Charges for Nine months period ended December 31, 2015 was ₹ 347.22 Lacs. During this period, the Interest & Financial Charges cost was 3.79 % of total Revenue.

Depreciation

Depreciation on fixed assets for Nine months period ended December 31, 2015 was 2.65 % of total revenue. The total depreciation Nine months period ended December 31, 2015 was ₹ 242.75 Lacs.

Profit Before Interest , Depreciation And Taxation (EBDIT)

The EBDIT for Nine months period ended December 31, 2015 was ₹ 738.11 Lacs of the total revenue which was 8.06 % of total revenue.

Profit after Tax and restatement adjustment (PAT)

PAT Nine months period ended December 31, 2015 stood at ₹ 135.04 Lacs. During this period, our Company recorded PAT margin of 1.47 %.

Results of Operations for the FY 2015, 2014, and 2013:

Particulars	For the year ended on		
	31.03.2015	31.03.2014	31.03.2013
Income from continuing operations			
Revenue from operations			
Manufacturing	1818.15	1,792.18	1,504.63
Trading	6641.81	3,258.46	2,562.60
Satellite farming	8261.85	8,294.78	3,049.26
Other Operating revenue	412.44	253.98	106.45
Total Revenue	17,134.25	13,599.40	7,222.94
Other Income	31.05	17.17	2.59
Total Revenue	**17,165.30**	**13,616.57**	**7,225.53**
	26.06	**88.45**	
Expenses	-	-	
Traded Products and Raw Material Consumed	15,050.03	11,773.76	5906.8
% Increase/(Decrease)	**27.83**	**99.33**	
Changes in inventories of finished goods, work-in-progress and stock-in-trade	18.87	**(19.19)**	(6.85)
Employee benefits expense	77.47	54.62	35.88
% Increase/(Decrease)	**41.83**	**52.23**	
Finance Costs	393.80	348.13	362.51
% Increase/(Decrease)	**13.12**	**(3.97)**	
Other expenses	977.50	852.94	637.07
% Increase/(Decrease)	**14.60**	**33.88**	
Depreciation and amortization expenses	240.41	86.07	71.19
% Increase/(Decrease)	**179.32**	**20.90**	
Total Expenses	**16,758.08**	**13,096.33**	**7,006.60**
% to total revenue	**97.63**	**96.18**	**96.97**
EBIDT	**1,041.43**	**954.44**	**652.63**
% to total revenue	**6.07**	**7.01**	**9.03**
Restated profit before tax from continuing operations	**407.22**	**520.24**	**218.93**
Total tax expense	**99.83**	**170.22**	77.94
Restated profit after tax from continuing operations (A)	**307.39**	**350.02**	**140.99**
% to total revenue	**1.79**	**2.57**	**1.95**
Restated profit for the year (A + B)	**307.39**	**350.02**	**140.99**
% Increase/(Decrease)	**(12.18)**	**148.26**	

COMPARISON OF FY 2015 WITH FY 2014:

Total Income :

The Total Income from operations for the FY 2015 was ₹ 17165.30 Lacs as compared to ₹ 13616.57 Lacs during the FY 2014 showing an increase of 26.06%. The growth of 26.06% in the FY 2015 Compared to FY 2014 was due to increase of treading turnover by ₹ 3383.35 lacs.

Expenditure :

Traded Products Raw material Consumed

The total raw material consumed was increased from ₹ 11773.76 lacs in FY 2014 to ₹ 15050.03 lacs in the FY 2015 showing increase of 27.83% on account of growth of trading turnover by 103.83% in FY 2015 as compared to FY 2014.

Employee Benefit Expenses

Employee Benefit expenses increased from ₹ 54.62 Lacs for FY 2014 to ₹ 77.47 Lacs for FY 2015 showing an increase of 41.83 %. The various benefits like mobile bill, conveyance, vehicle repairing expenses are charged to the employee benefit expenses and on account of that there was increase in the cost of employee benefit by 41.83% in FY 2015 as compared to FY 2014.

Other Expenses

Other Expenses increased from ₹ 852.94 Lacs for FY 2014 to ₹ 977.50 Lacs for FY 2015 showing increase of 14.60%. The increase is on account of increase in Diesel Charges, Directors remuneration and Bank Charges.

Interest & Financial Charges

Interest & Financial Charges increased from ₹ 348.13 Lacs for FY 2014 to ₹ 393.80 Lacs for the FY 2015. During FY 2015, the Interest & Financial Charges increased by 13.12 % compared to FY 2014 on account of higher utilization of the working capital limit by Company during the year. The outstanding working capital limit as on March 31, 2014 was ₹ 788.37 lacs as compared to Rs 3433.19 lacs as on March 31, 2015. The bank interest amount for FY 2015 was Rs 368.39 lacs as compared to Rs 264.68 lacs in FY 2014.

Depreciation

The total depreciation during FY 2015 was ₹ 240.41 Lacs and during FY 2014 it was ₹ 86.07 Lacs. There was addition of fixed assets in FY 2015 by ₹ 536.20 lacs. The depreciation in FY 2015 was increased by 179.32% as compared to FY 2014 On account of depreciation on the additional fixed assets.

Profit Before Interest, Depreciation And Taxation(EBDIT)

The EBDIT for the FY 2015 was 6.07 % of the total revenue which was 7.01 % of total revenue for the FY 2014. The reason for reduction of EBDIT though the revenue is increased by 26.06 % was on account of increase in other expenses by 14.60 % in FY 2015 compared to FY2014 and increase in the Revenue in FY 2015 is mainly due to trading turnover which has lower margin.

Profit after Tax (PAT)

PAT decreased marginally from ₹ 350.02 Lacs for the FY 2014 to ₹ 307.39 Lacs in FY 2015 showing decrease of 12.18%. The Profit after tax was 1.79% of the total revenue in FY 2015 as compared to

2.57% in FY 2014.This decrease was due to increase of Depreciation and financial charges in FY 2015 as compared to FY 2014.

COMPARISON OF FY 2014 WITH FY 2013

Total Income

The Total Income from operations for the FY 2014 was ₹ 13616.57 Lacs as compared to ₹ 7725.53 Lacs during the FY 2013 showing an increase of 88.28 %. The growth of 88.28 % in the FY 2014 Compared to FY 2013 was due to tremendous growth of Satellite Farming by 172.03% in FY 2014 as compared to FY 2013.

Expenditure:

Traded Products Raw material Consumed

The total raw material consumed was increased from ₹ 5906.8 lacs in FY 2013 to ₹ 11773.76 lacs in the FY 2014 showing increase of 99.33% on account of growth of total revenue by 88.28% in FY 2014 as compared to FY 2013.

Employee Benefit Expenses

Employee Benefit expenses increased from ₹ 35.88 Lacs for FY 2014 to ₹ 54.62 Lacs for FY 2014 showing an increase of 52.23%. The company had started taking the employee insurance in FY 2014 and amount spent was ₹ 13.50 lacs which was not in FY 2013. Apart from that the Company has paid salary arrears in the FY 2014 amounting to Rs 4.65 lacs.

Other Expenses

Other Expenses increased from ₹ 637.07 Lacs for FY 2014 to ₹ 852.94 Lacs for FY 2015 showing increase of 33.88%. The increase is on account of increase in Electric Expenses and repairing expenses in FY 2014.

Interest & Financial Charges

Interest & Financial Charges decreased from ₹ 362.51 Lacs for FY 2013 to ₹ 348.13 Lacs for the FY 2014. During FY 2014, the Interest & Financial Charges decreased by 3.97% compared to FY 2014 on account of reduction of working capital interest. The bank interest amount for FY 2014 was ₹ 264.68 lacs as compared to Rs 328.58 lacs in FY 2013.

Depreciation

The total depreciation during FY 2014 was ₹ 86.07 Lacs and during FY 2013 it was ₹ 71.19 Lacs. There was addition of fixed assets in FY 2014 by ₹ 311.36 lacs. The depreciation in FY 2014 was increased by 20.90% as compared to FY 2013. On account of depreciation on the additional fixed assets for part of the year only after the assets put to use.

Profit Before Interest, Depreciation And Taxation(EBDIT)

The EBDIT for the FY 2014 was 7.01% of the total revenue which was 9.03 % of total revenue for the FY 2013. The reason for reduction of EBDIT though the revenue is increased by 88.28 % was on account of increase in other expenses by 33.88 % in FY 2015 compared to FY2014 and increase in the Revenue in FY 2015 is mainly due to satellite farming which has lower margin.

Profit after Tax (PAT)

PAT increased from ₹ 140.99 Lacs for the FY 2014 to ₹ 350.02 Lacs in FY 2015 showing an increase of 148.26%. The Profit after tax was 2.57 % of the total revenue in FY 2014 as compared to 1.95% in FY 2013.This increase was due to overall increase in total revenue by 88.45 in FY 2014 as compared to FY 2013.

Related Party Transactions

For further information please refer "Annexure XVII" beginning on page 157 under Chapter titled "Financial Information of our Company" beginning on page 135 of the Draft Prospectus.

Financial Market Risks

We are exposed to financial market risks from changes in borrowing costs, interest rates and inflation.

Interest Rate Risk

We are currently exposed interest to rate risks to the extent of outstanding loans. However, any rise in future borrowings may increase the risk.

Effect of Inflation

We are affected by inflation as it has an impact on the operating cost, staff costs etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

FACTORS THAT MAY AFFECT THE RESULTS OF THE OPERATIONS:

1. **Unusual or infrequent events or transactions**

To our knowledge there have been no unusual or infrequent events or transactions that have taken place during the last three years.

2. **Significant economic changes that materially affected or are likely to affect income from continuing operations.**

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in 'Factors Affecting our Results of Operations' and the uncertainties described in the section entitled 'Risk Factors' beginning on page 9 of the Draft Prospectus. To our knowledge, except as we have described in the Draft Prospectus, there are no known factors which we expect to bring about significant economic changes.

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 titled "Risk Factors" beginning on page 9 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, in case of events such as future increase in labour or material costs or prices that will cause a material change are known.**

Our Company's future costs and revenues will be determined by demand/supply situation, government policies

5. **Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices.**

Increases in revenues are by and large linked to increases in volume of business.

6. Total turnover of each major industry segment in which the issuer company operated.

For details on the total turnover of the industry please refer to Chapter titled “Industry Overview” beginning on page 71 of the Draft Prospectus.

7. Status of any publicly announced new products or business segment.

Our Company has not announced any new product and segment.

8. The extent to which business is seasonal.

Our Company’s business is seasonal. The major revenue is in the third quarter of the Financial year . Harvesting of shrimps is seasonal.

9. Any significant dependence on a single or few suppliers or customers.

We are not dependant significantly on single supplier or customers.

10. Competitive conditions.

Competitive Strength are as described under the Chapters titled “Business Overview” beginning on page no. 76 respectively of the Draft Prospectus.

SECTION VI - LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as described below, there are no outstanding litigations, suits, civil or criminal prosecutions or proceedings against our Company, our Directors, our Promoters and Entities Promoted by our Promoters before any judicial, quasi-judicial, arbitral or administrative tribunals or any disputes, tax liabilities, nonpayment of statutory dues, over dues to banks/ financial institutions, defaults against banks/ financial institutions, defaults in dues towards instrument holders like debenture holders, fixed deposits, defaults in creation of full security as per terms of issue/ other liabilities, proceedings initiated for economic/civil/ any other offences (including past cases where penalties may or may not have been imposed and irrespective of whether they are specified under paragraph (i) of Part 1 of Schedule XIII of the Companies Act) against our Company, our Directors, our Promoters and the Entities Promoted by our Promoters, except the following:

Further, except as stated herein, there are no past cases in which penalties have been imposed on our Company, the Promoters, directors, Promoter Group companies and there is no outstanding litigation against any other company whose outcome could have a material adverse effect on the position of our Company. Neither our Company nor its Promoters, members of the Promoter Group, Subsidiaries, associates and Directors have been declared as willful defaulters by the RBI or any other Governmental authority and, except as disclosed in this section in relation to litigation, there are no violations of securities laws committed by them in the past or pending against them.

Unless stated to the contrary, the information provided below is as of the date of this Draft Prospectus.

This chapter has been divided in to following Parts

1. **Outstanding litigations involving Our Company.**
2. **Outstanding litigations involving Our Promoters.**
3. **Outstanding litigations involving Our Directors.**
4. **Outstanding litigations involving Our Group Companies.**
5. **Penalties imposed in past cases for the last five years.**
6. **Material Developments.**
7. **Amount owned to small scale undertakings.**

1. Outstanding litigations involving our Company

(a) Litigations by Company

Nil

(b) Litigation against Company

Income Tax

Asst year 2012-13

The Asst commissioner of Income Tax(ACIT), Surat during the scrutiny of Income Tax return for the Asst year 2012-13 had made addition of Rs. 4,05,89,079 in the total income of the Company while passing the assessment order on March 27, 2015 under section 143(3) of the income tax Act,1961.The ACIT had issued demand of Rs. 1,76,78,940 under section 156 of the Income Tax Act ,1961 and issued notice under section 274 r.w.s 271(1) (c) of the Income Tax act for furnishing inaccurate particulars and concealment of Income. The Company had filed the appeal against the said order and final hearing of the said appeal is pending .

The Company had requested for the stay of demand and the Joint Commissioner of Income Tax, Surat had granted stay on 50% of the demand amount on July 24, 2015 with a condition that the balance demand amount of Rs. 88,39,470 should be paid in installments commencing from July, 2015. The Company is required to pay to installment of Rs of Rs. 5,00,000 per month starting from July, 2015.The Company had paid Rs. 45,00,000 towards outstanding amount up to March, 2016.

Value Added Tax

Assessment Period 2010-11

The Assistant Commissioner of Commercial tax , Surat while assessing for the assessment period 2010-11 found out that the Company had not paid the tax on aquatic foods. The Company had argued that the aquatic food is in the cattle feed category and exempted from the tax. The argument of the Company was not accepted and the Assistant Commissioner of Commercial Tax has shown the notification of the government in which the Aquatic foods are exempted from Tax w.e.f. April 01, 2012 Hence passed the order imposing tax at the rate of 15% of the total turnover of aquatic foods. An order was passed imposing tax, interest and penalty liability of Rs. 774.99 lacs on March 27, 2015. The Company had preferred an appeal against the said order .

Assessment Period 2011-12

The Assistant Commissioner of Commercial tax ,Surat while assessing for the assessment period 2011-12 found out that the Company had not paid the tax on aquatic foods. The Company had argued that the aquatic food is in the cattle feed category and exempted from the tax. The argument of the Company was not accepted and the Assistant Commissioner of Commercial Tax has shown the notification of the government in which the Aquatic foods are exempted from Tax w.e.f. April 01, 2012. Hence passed the order imposing tax at the rate of 15% of the total turnover of aquatic foods. An order was passed imposing tax, interest and penalty liability of Rs. 406.98 lacs on March 28, 2016.The Company is yet to file the appeal against the said order.

2. Outstanding litigations involving Our Promoters.

(a) Litigations by Promoters

NIL

(b) Litigation against Promoters

NIL

3.Outstanding litigations involving Our Directors.

Litigations by Directors

NIL

Litigation against Directors

NIL

4. Outstanding litigations involving Our Group Companies.

Litigation by Group Companies

NIL

Litigation against Group Companies

NIL

Material Developments

Except as stated above, there are no material developments after the date of the last audited balance sheet, which may materially affect the performance, or prospects of the Company.

Other defaults (specify if any)

There is no other default involving the issuer company or its subsidiary, its director, promoters, promoter group entities.

Amount Outstanding to SSI Undertaking or other creditors (specify if any)

There are no SSI Undertakings or other creditors to whom the Company owes an amount exceeding ₹ 1 Lac which is outstanding for more than 30 days from the due date.

GOVERNMENT AND OTHER STAUTORY APPROVALS

In view of the approvals listed below, the Company can undertake this Issue and its current business activities and no further major approvals from any governmental or regulatory authority except proposed activities of Company or any other entity are required to undertake the Issue or continue its business activities.

Following statement sets out the details of licenses, permissions and approvals obtained by the Company under various Central and State Laws for carrying out its business.

(A) Approvals for the Issue

1. The Board of Directors has, pursuant to a resolution passed at its meeting held on May 24, 2016, authorised the Issue subject to the approval of the shareholders of the Company under Section 62(1)(c) of the Companies Act, 2013 and approvals by such other authorities as may be necessary.

2. The shareholders of the Company have, pursuant to a resolution dated May 24, 2016 passed in the EGM under Section 62(1)(c) of the Companies Act, 2013 authorised the Issue.

3. The Company has obtained in-principle listing approval from the SME platform of the BSE dated [●], 2016.

4. The Company has entered into an agreement dated May 07, 2015 with the Central Depository Services (India) Limited (CDSL") and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited, for the dematerialization of its shares.

5. Similarly, the Company has also entered into an agreement dated June 03, 2015 with the National Securities Depository Limited ("NSDL") and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited, for the dematerialization of its shares.

6. The Company's International Securities Identification Number ("ISIN") is INE819S01017.

(B) Registration under the Companies Act, 1956:

Sr. No.	Authority Granting Approval	Approval / Registration No.	Applicable Laws	Nature Of Approvals	Validity
1.	Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli	U05004GJ2009PTC056270 on March 06, 2009	Companies Act, 1956	Certificate Of Incorporation	Valid, till Cancelled
2.	Registrar of Companies, Gujarat, Dadra and Nagar Haveli	U05004GJ2009PLC056270 on March 31, 2015	Companies Act, 1956	Fresh certificate of Incorporation consequent upon conversion into public limited company	Valid, till Cancelled

(C) Registration under various Acts/Rules relating to Income Tax, Sales Tax, Value Added Tax, Central Excise and Service Tax :

Sr. No.	Authority Granting Approval	Approval/ Registration No.	Applicable Laws	Nature Of Approvals	Validity
1.	Income Tax Department- (PAN)	AAACZ3674J	Income Tax Act 1961	Permanent Account Number	Valid, till Cancelled
2.	Income Tax	SRTZ00103F	Income Tax Act	Tax Deduction	Valid, till

	Department-(TAN)		1961	and collection Account Number	Cancelled
3.	Central Board of Excise and Customs.	AAACZ3674JSD001	Finance Act , 1994 read with Service Tax Rules ,1994	Service Tax registration Number	Valid, till Cancelled
4.	Commissioner of Commercial Tax Department, Gujarat	24223000117	Central Sales Tax, (Registration & Turnover) Rules, 1957	Central Sales Tax No.	Valid, till Cancelled
5.	Assistant Commissioner of Commercial Tax Department.	24223000117	The Gujarat Value added Tax Act 2003	VAT registration	Valid, till Cancelled
6.	Talati Cum Mantri, Olpad	PEP2208082030	Gujarat Panchayats, Municipalities, Municipal Corporations and State Tax on Professions, Traders and Callings Employments Act, 1976.	Professional Tax Number	Valid, till Cancelled
7.	Foreign Trade Development Officer	IEC NO.:5212013089	The Foreign Trade(Development &Regulations) Act,2009	Certificate of Importer-Exporter Code	Valid, till Cancelled
8.	Assistant Provident Fund Commissioner	Registration No.: GJ/SRT/39446	Employees' Provident Funds & Miscellaneous Provisions Act,1952	Registration with Provident Fund Authority.	Valid, till Cancelled
9.	Registrar of Trade Marks	Trade Mark No.:1961639	Trade Marks Act,1999	Certificate of Registration of Trade Marks	Valid, till Cancelled
10.	Registrar of Trade Marks	Copy Right No.: A-114293/2015 ZEAL along with device of Letter "Z"	Trade Marks Act,1999	Certificate of Registration of Copy Right	Valid, till Cancelled

(D) Approval Pertaining to Our Business

Our Company carry out its business activities on the farms of the individual owned by the various farmers who got the Certificates of Registration for Coastal Aquaculture Farm under the provisions of Coastal Aquaculture Authority Act, 2005 from the Coastal their land registered with the Coastal Aquaculture Authority, Ministry of Agriculture, Government of India.

The details of such Certificates and farm Owners are as under:

Sr.No.	Certificate issued to	Registration No.	Date of Issue	Validity
1.	Shri Pravinchandra Mahatma	GJ-II-2008(0120)	04/08/2008	Five Years
2.	Seema Harish Chandra Bharucha	GJ-II-2008(0122)	04/08/2008	Five Years
3.	Shri Ishwarbhai Valabhai Patel	GJ-II-2009(264)	19/10/2009	Five Years
4.	Shri Chhaganlal K Bhagwakar	GJ-II-2009(269)	19/10/2009	Five Years
5.	Shri Manoj Mohanlal Sharma	GJ-II-2009(301)	19/10/2009	Five Years
6.	Smt. Susanben Pradeep Navik	GJ-II-2009(302)	19/10/2009	Five Years
7.	Shri Dinesh Kumar Ratilal Patel	GJ-II-2009(303)	19/10/2009	Five Years
8.	Shri Rajeshbhai K. Chaudhary	GJ-II-2009(316)	19/10/2009	Five Years
9.	Shri Jayanitbhai K. Chaudhary	GJ-II-2009(317)	19/10/2009	Five Years
10.	Shri Pravinbhai K Bhagwakar	GJ-II-2009(345)	19/10/2009	Five Years
11.	Shri Kishorkumar H Morkar	GJ-II-2009(357)	19/10/2009	Five Years
12.	Shri Sudhirkumar H Patel	GJ-II-2009(361)	19/10/2009	Five Years
13.	Shri Yogeshkumar S. Ahir	GJ-II-2009(364)	19/10/2009	Five Years
14.	Shri Dharmeshkumar B. Patel	GJ-II-2009(366)	19/10/2009	Five Years
15.	Shri Ramnikbhai S Khalasi	GJ-II-2009(396)	19/10/2009	Five Years
16.	Shri Parbhubhai B. Sarang	GJ-II-2009(397)	19/10/2009	Five Years
17.	Shri Bhanbhai L. Khalasi	GJ-II-2009(401)	19/10/2009	Five Years
18.	Shri Somabhai V. Khalasi	GJ-II-2009(402)	19/10/2009	Five Years
19.	Shri Rameshbhai U. Khalasi	GJ-II-2009(403)	19/10/2009	Five Years
20.	Shri Champakbhai D Patel	GJ-II-2009(404)	19/10/2009	Five Years
21.	Shri Kalidas R Rathod	GJ-II-2009(407)	19/10/2009	Five Years
22.	Shri Maheshbhai L Umarvansi	GJ-II-2009(408)	19/10/2009	Five Years
23.	Shri Jayesh P Patel	GJ-II-2011(588)	23/08/2011	Five Years

The validity of all the above registration was for a period of Five years from the date of the issue. All the persons who have been issued certificates as stated above have applied for renewal of their certificate of Registration under the Coastal Aquaculture Authority Act, 2005.

(E) License yet to Apply:

Sr. No.	Name of License	Authority Granting Approval	Applicable Laws	Nature Of Approvals
1.	EPCG	Director General of Foreign Trade - DGFT	Foreign Trade Policy 2015 - 2020	EPCG License

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Issue has been authorised by a resolution of the Board of Directors passed at their meeting held on May 24, 2016 subject to the approval of shareholders of our Company through a special resolution to be passed pursuant to Section 62(1)(c) vis-à-vis of the Companies Act, 2013.

The shareholders of our Company have authorised the Issue by a special resolution passed pursuant to section 62(1) (c) vis-à-vis of the Companies Act, 2013 at the EGM of our Company held on May 24, 2016.

We have received In- Principle Approval from BSE vide their letter dated [●] to use the name of BSE in the Prospectus for listing of our Equity Shares on SME Platform of BSE. BSE is the Designated Stock Exchange.

Prohibition by SEBI

Our Company, Promoters, Promoter Group, Directors and Group Companies have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authorities. None of our Promoters, Directors was or also is a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI.

Our Directors are not in any manner associated with the securities market and no action has been taken by the SEBI against any of the Directors or any entity with which our Directors are involved as promoters or directors.

Prohibition by RBI or Governmental authority

Our Company, our Directors, our Promoters, the relatives of the Promoters (as defined under the Companies Act, 2013) and our Group Entity have not been identified as willful defaulters by RBI or any other government authorities.

Eligibility for the Issue

Our company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations; and this Issue is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations.

Our company is eligible for the Issue in accordance with Regulation 106(M) (1) and other provisions of Chapter XB of the SEBI (ICDR) Regulations, as we are an issuer whose post issue paid up capital is less than Rs.10 Crores and we may hence issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the “SME Platform of BSE”). Our Company also complies with eligibility conditions laid by SME Platform of BSE for listing of Equity Shares.

We confirm that:

a. In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have not filed any Draft Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Lead Manager submits the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required by SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.

b. In accordance with Regulation 106(P) of the SEBI (ICDR) Regulations, this issue has been hundred percent underwritten and that the Lead Manager to the Issue has underwritten at least 15% of the Total Issue Size. For further details pertaining to said underwriting please see “General Information – Underwriting” on page 32 of this Prospectus.

c. In accordance with Regulation 106VIS-À-VIS of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be unblocked forthwith. If such money is not unblocked within eight days from the date our Company becomes liable to unblock it, then our Company and every officer in default shall, on and from expiry of eight days, be liable to unblock such application money with interest as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable laws.

d. In accordance with Regulation 106(V) of the SEBI (ICDR) Regulations, we have entered into an agreement with the Lead Manager and Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this issue. For further details of the arrangement of market making please see "General Information – Details of the Market Making Arrangements for this Issue" on page 33 of this Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter XB of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of Chapter XB of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub-regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us in this Issue.

Our Company is also eligible for the Issue in accordance with eligibility norms for Listing on SME Exchange / Platform BSE circular dated April 19, 2012 and notice dated February 5, 2015, which states as follows:

1. Net Tangible assets of at least ₹ 3 crore as per the latest audited financial results :

Our Company has Net Tangible Assets of more than ₹ 3 crore as per the latest financial results. Our Net Tangible Assets for the period ended December 31, 2015 is disclosed as under:

(₹ in lakh)

Particulars	December 31, 2015
Fixed Assets (Net)	2378.95
Less: Intangible Assets	0.00
Current Assets, Loans & Advances and Non- Current Investments	4788.56
Less: Current Liabilities & provisions	4650.49
Long Term Borrowings	485.42
Net Tangible Assets	**2031.61**

2. Net worth (excluding revaluation reserves) of at least ₹ 3 crore as per the latest audited financial results

Our Company satisfies the above criteria. Our Net Worth as per the latest audited financial statements is as under:

(₹ in lakh)

Particulars	December 31, 2015
Net Worth	**2031.61**

3. Track record of distributable profits in terms of sec. 123 of Companies Act, 2013 for at least two years out of immediately preceding three financial years and each financial year has to be a

period of at least 12 months. Extraordinary income will not be considered for the purpose of calculating distributable profits. Otherwise, the net worth shall be at least ₹ 5 crores.

Our Company satisfies the above criteria of distributable profits in terms of section 123 of Companies Act, 2013.

(₹ in lakh)

Particulars	December 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Net Profit as per P&L Account	**135.04**	**307.39**	**350.02**	**141.01**

4. **The post-issue paid up capital of the company shall be at least ₹ 3 crores**

   The post paid up capital of the Company will be ₹ **4.20** crores.

5. **The company shall mandatorily facilitate trading in demat securities and enter into an agreement with both the depositories.**

   To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the tripartite agreements with the Depositories and the Registrar and Share Transfer Agent.

   The Company's shares bear an **ISIN No: INE819S01017**

6. **Companies shall mandatorily have a website.**

   Our Company has a live and operational website: www.zealaqua.com

7. **Certificate from the applicant company stating the following:**

   a. Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).

   b. There is no winding up petition against the company that has been admitted by the Court and accepted by a court or a Liquidator has not been appointed.

   c. There has been no change in the promoter/s of the Company in preceding one year from the date of filing application to BSE for listing on SME segment.

We confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on the SME Platform of the BSE.

SEBI DISCLAIMER CLAUSE

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, CORPORATE STRATEGIC ALLIANZ 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 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 CORPORATE STRATEGIC ALLIANZ LIMITED HAS FURNISHED TO STOCK EXCHANGE/SEBI A DUE DILIGENCE CERTIFICATE DATED JUNE 6, 2016 WHICH READS AS FOLLOWS:

1. **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENTS 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
VIS-À-VIS THE DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO
ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956 AND APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013, 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. NOTED FOR COMPLIANCE.**

5. **WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTERS 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.**

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 VIS-À-VIS 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 OFFER DOCUMENT. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE COMPANY 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. THE EQUITY SHARES ARE TO BE ISSUED IN DEMAT ONLY.***

11. **WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.**

12. **WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT PROSPECTUS:**

    (A) AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND

    (B) AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.

13. **WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE.**

14. **WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, 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 BANKERS (WHO ARE RESPONSIBLE FOR PRICING THIS ISSUE)', AS PER FORMAT SPECIFIED BY THE BOARD (SEBI) THROUGH CIRCULAR. As per Annexure "A"**

17. **WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS**.

ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY LEAD MANAGER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE

1. **WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE OFFER DOCUMET 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 OFFER DOCUMENT AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.**

3. **WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009.- NOTED FOR COMPLIANCE**

4. **WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER.-**

5. **WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISO TO SUBREGULATION (4) OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009; THE CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE PROSPECTUS. – NOT APPLICABLE**

6. **WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION [106P] AND [106V] OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, HAVE BEEN MADE.**

THE FILING OF THE OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER SECTION 34, 35 36 AND 38 (1) OF THE COMPANIES ACT OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THE OFFER DOCUMENT.

ALL LEGAL REQUIREMENTS PERTAINING TO THIS ISSUE WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES, AHMEDABAD, IN TERMS OF SECTION 26, 30, 32 AND SECTION 33 OF THE COMPANIES ACT.

Caution- Disclaimer from Our Company and the Lead Manager

The Company, the Directors, and the Lead Manager accept no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at instance of the above mentioned entities and anyone depending on any other source of information, including our website: www.zealaqua.com would be doing so at his or her own risk.

Caution

The Lead Manager accepts no responsibility, save to the limited extent as provided in the MOU entered into between the Lead Manager Corporate Strategic Allianz Limited and our Company dated May 24, 2016 the Underwriting Agreement dated May 25, 2016 entered among the Underwriters and Market Making Agreement dated May 25, 2016 entered among the Market Maker, Lead Manager and our Company.

All information shall be made available by us and LM to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centers etc.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company and our Promoter Group, 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 and our Promoter Group, affiliates or associates for which they have received, and may in future receive, compensation.

Note:

Investors that apply in this Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters and Lead Manager 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 the Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our company.

PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER

For details regarding the price information and track record of the past issue handled by Corporate Strategic Allianz Limited, as specified in the circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by SEBI, please refer Annexure "A" and the website of Lead Manager at www.csapl.com.

Disclaimer in respect of Jurisdiction

This issue is being made in India to persons resident in India including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under the applicable trust law and who are authorized under their constitution to hold and invest in

shares, and any FII sub –account registered with SEBI which is a foreign corporate or go reign individual, permitted insurance companies and pension funds) and to FIIs and Eligible NRIs. This Prospectus does not, however, constitute an invitation to subscribe to Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Prospectus comes is required to inform him or herself about and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Surat 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, our Company's Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of Prospectus nor any sale here under shall, under any circumstances, create any implication that there has been any change in our Company's affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Disclaimer Clause of the SME Platform of BSE

As required, a copy of the Prospectus shall be submitted to BSE. The Disclaimer Clause as intimated by BSE to us, post scrutiny of the Prospectus, shall be included in the Prospectus prior to the RoC filing.

Disclaimer Clause under Rule 144A of the U.S. Securities Act.

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to "qualified institutional buyers", as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur**.**

Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions 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. Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Share 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 OF OFFER DOCUMENT

A copy of Draft Prospectus shall not be filed with SEBI, nor will SEBI issue any observation on the offer document in term of Regulation 106(O)(1). However, a copy of the Prospectus shall be filed with SEBI at Western Regional Office, Unit No. 002, Ground Floor, SAKAR I, Near Gandhigram Railway Station, Opp. Nehru Bridge, Ashram Road, Ahmedabad-380009.

A copy of the Prospectus, along with the documents required to be filed under Section 26 of the companies Act, 2013, will be delivered to the RoC situated at at RoC Bhavan, Opp Rupal Park Society, Behind Ankur Bus- Stop, Naranpura,Ahmedabad-380013.

Listing

Our company has obtained In-Principle approval from BSE vide letter dated [●] to use name of BSE in this offer document for listing of equity shares on SME Platform of BSE.

In terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, there is requirement of obtaining In-principle approval from SME Platform of BSE. Application will be made to the SME Platform of BSE for obtaining permission to deal in and for an official quotation of our Equity Shares. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the issue.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the SME Platform of BSE, the Company shall forthwith unblock, without interest, all moneys received from the applicants in pursuance of the Prospectus. If such money is not unblocked within Eight days after our Company becomes liable to unblock it then our Company and every officer in default shall, on and from such expiry of Eight days, be liable to unblcok such application money, with interest at the rate of 15% per annum on application money, as prescribed under as prescribed under Section 40 of the Companies Act, 2013.

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 the BSE mentioned above are taken within Six Working Days from the Issue Closing Date.

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

vis-à-vis otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447."

The liability prescribed under Section 447 of the Companies Act, 2013, includes imprisonment for a term of not less than six months extending up to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

Consents

The written consents of Directors, Promoters, the Company Secretary, Compliance Officer, the Lead Manager to the Issue, Bankers to the Company, Registrar to the Issue, Auditors, Legal Advisor to the Issue, Finance Head, Underwriters, Market Makers and Banker to the Issue, to act in their respective capacities have been obtained and will be filed along with a copy of the Prospectus with the ROC, as required under Sections 26 and 32 of the Companies Act, 2013. and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the ROC.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/s. Pary & Co. Statutory Auditors, of the Company have agreed to provide their written consent to the inclusion of their report, restated financial statements and statement of Tax Benefits dated, which may be available to the Company and its shareholders, included in this Prospectus in the form and context in which they appear therein and such consent and reports have not been withdrawn up to the time of delivery of this Prospectus with ROC.

Expert Opinion

Except for (a) Auditors' reports dated May 01, 2016 on the restated financial statements by M/s. Pary & Co., Chartered Accountants (b) Statement of Tax Benefits dated May 15, 2015 by M/s. Bhagat & Co., Chartered Accountants, we have not obtained any other expert opinions.

Public Issue Expenses

The Management estimates an expense of Rs. 50 Lakhs towards issue expense. The Issue related expenses include, among others, lead management, market making, underwriting, SCSB's commission/fees, selling commissions, printing, distribution and stationery expenses, advertising and marketing expenses, and other expenses including registrar, depository, listing and legal fees. All expenses with respect to the Issue will be borne by the Company. The estimated Issue expenses are as follows:

Sr. No.	Particulars	Amount (₹ in Lacs)
1.	Payment to Merchant Banker including fees and reimbursements of Market Making Fees, selling commissions, brokerages, payment to other intermediaries such as Legal Advisors, Registrars, Bankers etc and other out of pocket expenses and regulatory fees.	40.00
2.	Printing and distribution of issue stationery	2.50
3.	Advertising and marketing expenses	2.50
4.	Regulatory fees and expenses	2.50
5.	Other Expenses	2.50
	Total	50.00

Fees Payable to Lead Manager to the Issue

The total fees payable to the Lead Manager (underwriting Commission and Selling Commission and reimbursement of their out-of pocket expenses) will be as per the Engagement Letter, a copy of which is available for inspection at the Registered Office of our Company.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue, for processing of application, data entry, printing of refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the MOU between the Company and the Registrar to the Issue dated. [•]

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send refund orders or Allotment advice by registered post/speed post.

Fees Payable to Others

The total fees payable to the Legal Advisor, Auditor, Market maker and Advertiser, etc. will be as per the

terms of their respective engagement letters.

Underwriting commission, brokerage and selling commission

We have not made any previous public issues. Therefore, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring for, or agreeing to procure subscription for any of the Equity Shares of the Company since its inception.

Commission payable to SCSBs

The brokerage and selling commission payable to SCSBs for the ASBA Application Forms procured by them would be at par as payable to brokers for the Application forms procured by them. However in case, where ASBA Application Form are being procured by Syndicate Members / sub syndicate, then selling commission would be payable to Syndicate Members / sub syndicate and for processing of such ASBA Application Form, SCSBs would be given a prescribe fee of ₹ 15 per ASBA Application Form processed by them.

Previous Public or Rights Issue

Company has not made any Public or Right issue since its incorporation.

Previous issues of Equity Shares otherwise than for cash

We have issued shares otherwise than cash as per the details given below :

Sr. No.	Date of Capitalization	Amount Capitalized (₹)	No. of Bonus Shares Issued	Ratio of Bonus Shares
01	March 25, 2015	1,15,02,000	11,50,200	3:5

Capital issue during the last three years

Zeal Aqua Limited and its Group Companies have not made any capital issue during the last three years.

Listed Ventures of Promoters

There are no listed ventures of our Company as on date of filing of this Draft Prospectus.

Promise vis-à-vis Performance

Since neither our Company nor our Promoter Group Companies have made any previous rights or public issues during last 10 years, Promise vis-à-vis Performance is not applicable.

Outstanding debentures or bonds and redeemable preference shares and other instruments

There are no outstanding debentures or bonds or redeemable preference shares and other instruments issued by the Company as on the date of this Prospectus.

Stock Market Data for our Equity Shares

This being an Initial Public Offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange.

Mechanism for Redressal of Investor Grievances

The agreement between the Registrar to the Issue and our Company provides for the retention of records with the Registrar to the Issue for a period of at least three years from the last date of dispatch of the

letters of Allotment, demat credit and refund orders to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the Offer may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate (in Specified Cities), as the case may be, where the Bid cum Application Form was submitted by the ASBA Bidder, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application and designated branch or the collection center of the SCSBs or the member of the Syndicate (in Specified Cities), as the case may be, where the Bid cum Application Form was submitted by the ASBA Bidder.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the SCSB (for redressal of routine investor grievances shall be 15 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted an Stakeholders Relationship Committee of the Board vide resolution passed on March 25, 2015 comprising of Mr. Mahesh Mistry, Mr. Mr. Nagin Patel and Mrs. Roshan Kadodwala as members. For further details, please refer the chapter titled "Our Management" on page no. 111 of Draft Prospectus.

Our Company has also appointed Ms. Javanika Gandharva as the Company Secretary and Compliance Officer of our company, for this Issue and she may be contacted in case of any pre-issue or post-issue related problems at the following address:

Ms. Javanika Gandharva
Zeal Aqua Limited
Plot No 4-5, GIDC, Olpad,
Dist. Surat,
Gujarat - 394540.
Tel: +02621-220540
Fax: +02621-220540
Website: www.zealaqua.com
Email: ipo@zealaqua.com
Website: www.zealaqua.com

Changes in auditors during the last three years

There is no change in our Statutory Auditors of our Company during last three years.

Capitalization of reserves or profits during last five (5) years:

Our Company has capitalized reserved by issue of Bonus Shares as per the details given below.

Sr. No.	Date of Capitalization	Amount Capitalized (Rs.)	No. of Bonus Shares Issued	Ratio of Bonus Shares
1	March 25, 2015	1,15,02,000	11,50,200	3:5

Revaluation of assets during the last five (5) years

Our Company has not revalued its assets during the last five (5) years.

SECTION VIII - ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued are subject to the provisions of the Companies Act, SEBI (ICDR) Regulations, 2009, our Memorandum and Articles of Association, the terms of this Draft Prospectus, the Draft Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of this Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchange, the RBI, 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.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act 2013, our Memorandum and Articles of Association shall rank pari-passu in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please see the section titled *"Main Provisions of the Articles of Association of our Company"* beginning on page 215 of this Draft Prospectus.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act and recommended by the Board of Directors and approved by 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 dividend, if declared, to our Shareholders as per the provisions of the Companies Act and our Articles of Association.

Face Value and Issue Price

The face value of the Equity Shares is ₹ 10 each and the Issue Price is ₹ 130 per Equity Share.

The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the section titled “Basis for Issue Price” beginning on page 62 of the Draft Prospectus. At any given point of time there shall be only one denomination for the Equity Shares.

Compliance with SEBI ICDR Regulations

Our Company shall comply with all requirements of the SEBI ICDR Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

Right to receive dividend, if declared;

Right to receive Annual Reports and notices to members;
Right to attend general meetings and exercise voting rights, unless prohibited by law;
Right to vote on a poll either in person or by proxy;
Right to receive offer for rights shares and be allotted bonus shares, if announced;
Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
Right of free transferability subject to applicable law, including any RBI rules and regulations; and Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013, the terms of the SEBI Listing Regulations, and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to the section titled "Main Provisions of Articles of Association" beginning on page number 215 of the Draft Prospectus.

Minimum Application Value; Market Lot and Trading Lot

In terms of Section 29 of the Companies Act 2013, the Equity Shares shall be Allotted only in dematerialised form. As per the existing SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form for all investors.

The trading of the Equity Shares will happen in the minimum contract size of 1000 Equity Shares and the same may be modified by BSE SME Exchange 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 1000 Equity Share subject to a minimum allotment of 1000 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Allocation and allotment of Equity Shares through this Offer will be done in multiples of 1000 Equity Share subject to a minimum allotment of 1000 Equity Shares to the successful applicants.

Minimum Number of Allottees

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and all the monies blocked by the SCSBs shall be unblocked within 6 Working days of closure of issue.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Ahmedabad.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

Nomination Facility to Investor

In accordance with Section 72 (1) & 72 (2) of the Companies Act, 2013, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 (3) of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in accordance to Section 72 (4) of the Companies Act, 2013, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in

the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Articles of Association of the Company, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

(a) to register himself or herself as the holder of the Equity Shares; or
(b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

Period of Operation of Subscription List of Public Issue

ISSUE OPENS ON [●]
ISSUE CLOSES ON [●]

Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten.

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 refund the entire subscription amount received. If there is a delay beyond eight days, after our Company becomes liable to pay the amount, our Company shall pay interest as prescribed under Section 40 of 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 monies blocked by the SCSBs shall be unblocked within 6 working days of closure of issue.

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.

Arrangements for Disposal of Odd Lots

The trading of the equity shares will happen in the minimum contract size of 1000 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 BSE SME Platform.

Application by Eligible NRIs, FIIs registered with SEBI, VCFs registered with SEBI and QFIs

It is to be understood that there is no reservation for Eligible NRIs or FIIs registered with SEBI or VCFs or QFIs. Such Eligible NRIs, QFIs, FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

As per the extant policy of the Government of India, OCBs cannot participate in this Issue.

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, FIIs 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, if any on Transfer and Transmission of Equity Shares

Except for lock-in of the pre-Issue Equity Shares and Promoters' minimum contribution in the Issue as detailed in the chapter "Capital Structure" beginning on page number 36 of the Draft Prospectus, and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details please refer to the section titled "Main Provisions of the Articles of Association" beginning on page number 215 of the Draft Prospectus.

Option to receive Equity Shares in Dematerialized Form

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. Applicants will not have the option of getting Allotment of the Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provision of the Companies Act and the Depositories Act.

Migration to Main Board

Our Company may migrate to the main board of BSE Main Board from the BSE SME Platform on a later date subject to the following:

If the Paid up Capital of the company is likely to increase above ₹ 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), we shall have to apply to BSE for listing our shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

If the Paid up Capital of the company is more than ₹ 10 crores but below ₹ 25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Market Making

The shares offered though this issue are proposed to be listed on the BSE SME Platform, wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the BSE SME Platform for a minimum period of three years from the date of listing of shares

offered though this Draft Prospectus. For further details of the agreement entered into between the Company, the Lead Manager and the Market Maker please see “General Information – Details of the Market Making Arrangements for this Issue” beginning on page 33 of the Draft Prospectus.

New Financial Instruments

The Issuer Company is not issuing any new financial instruments through this Issue.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106(M)(1) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post issue paid up capital does not exceed ₹ 10 crores, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the SME platform of BSE). For further details regarding the salient features and terms of such an issue please refer chapter titled "Terms of the Issue" and "Issue Procedure" on page 187 and 194 respectively of this Draft Prospectus.

Public issue of 11,35,000 equity shares of face value of ₹ 10 each for cash at a price of ₹ 130 per equity share including a share premium of ₹ 120 per equity share (the "issue price") aggregating to ₹ 1475.50 lacs ("the issue") by our company.

Particulars	Net Issue to Public	Market Maker reservation portion
Number of Equity Shares*	10,56,000 Equity Shares	79,000 Equity Shares
Percentage of Issue Size available for allocation	93.04% of the Issue Size 25.13% of the Post Issue Paid up Capital	6.96% of the Issue Size 1.88% of the Post Issue Paid up Capital
Basis of Allotment/Allocation if respective category is oversubscribed	Proportionate subject to minimum allotment of 1,000 Equity Shares and Further allotment in multiples of 1,000 Equity Shares each. For further details please refer to the section titled "Issue Procedure–Basis of Allotment" on page 211 of this Draft Prospectus.	Firm Allotment
Mode of Application	All the Applicants shall make the Application (Online or Physical) through ASBA Process Only.	Through ASBA mode Only.
Minimum Application Size	For QIB and NII: Such number of Equity Shares in multiples of 1,000 Equity Shares such that the Application Value exceeds ₹ 2,00,000 For Retail Individuals: 1,000 Equity Shares	79,000 Equity Shares
Maximum Bid	For QIB and NII: Such number of Equity Shares in multiples of 1,000 Equity Shares such that the Application Size does not exceed 10,56,000 Equity Shares subject to adhere under the relevant laws and regulations as applicable. For Retail Individuals: 1,000 Equity Shares so that the Application Value does not exceed ₹ 2,00,000	79,000 Equity Shares
Mode of Allotment	Compulsorily in dematerialized mode	Compulsorily in dematerialized mode
Trading Lot	1,000 Equity Shares	1,000 Equity Shares, However the Market Maker may accept odd lots

Particulars	Net Issue to Public	Market Maker reservation portion
		if any in the market as required under the SEBI (ICDR) Regulations, 2009.
Terms of payment	Entire Application Amount shall be payable at the time of submission of Application Form.	

* 50 % of the shares offered in the Net Issue to Public portion are reserved for applications whose value is below ₹ 2,00,000 and the balance 50 % of the shares are available for applications whose value is above ₹ 2,00,000.

Withdrawal of the Issue

In accordance with the SEBI ICDR Regulations, our Company, in consultation with Lead Manager, reserves the right not to proceed with this Issue at any time after the Issue Opening Date, but before our Board meeting for Allotment, without assigning reasons thereof. If our Company withdraws the Issue after the Issue Closing Date, we will give reason thereof within two days by way of a public notice which shall be published in the same newspapers where the pre-Issue advertisements were published.

Further, the Stock Exchanges shall be informed promptly in this regard and the Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the ASBA Applicants within one Working Day from the date of receipt of such notification. In case our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh offer document with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which the Company shall apply for after Allotment. In terms of the SEBI Regulations, Non retail Applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities at Ahmedabad.

Issue Programme

ISSUE OPENS ON	[●]
ISSUE CLOSES ON	[●]

Applications and any revisions to the same (except that on the Issue closing date) will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centers mentioned in the Application Form. On the Issue Closing Date applications and any revisions to the same will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time). 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 Issue prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2003) dated October 23, 2013 notified by SEBI (the "General Information Documents") included below under section "- Part B - General Information Document", which highlights the key rules, procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 1956, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, and the SEBI Regulations. The General Information Documents has been updated to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchange and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and Lead Manager would not be able for any amendment, modification or change in applicable law, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that their Application do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in 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.

Fixed Price Issue Procedure

The Issue is being made under Regulation 106(M)(1) of Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 through a Fixed Price Process.

Applicants are required to submit their Applications to the Application collecting intermediaries i.e. SCSB or Registered Brokers of Stock Exchanges or Registered Registrar to the Issue and Share Transfer Agents (RTAs) or Depository Participants (Dps) registered with SEBI. In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non-Institutional Applicants and Retail Individual Applicants, the Company would have a right to reject the Applications only on technical grounds.

Investors should note that Equity Shares will be allotted to successful Applicants in dematerialize form only. The Equity Shares on Allotment shall be traded only in the dematerialize segment of the Stock Exchange, as mandated by SEBI.

Availability of Prospectus and Application Forms

The Memorandum containing the salient features of the Prospectus together with the Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the Lead Manager to the Issue, Registrar to the Issue as mentioned in the Application form. The application forms may also be downloaded from the website of BSE limited i.e. www.bseindia.com.Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking of funds that are available in the bank account specified in the Application Form used by ASBA applicants. Upon completing and submitting the Application Form for Applicants to

the SCSB, the Applicant is deemed to have authorized our Company to make the necessary changes in the Prospectus and the ASBA as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the Applicant. Application forms submitted to the SCSBs should bear the stamp of respective intermediaries to whom the application form submitted. Application form submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application forms submitted by Applicants whose beneficiary account is inactive shall be rejected.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour of Application Form
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including Eligible NRIs, FII's, FVCIs etc. applying on a repatriation basis	Blue

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process.

Submission and Acceptance of Application Forms

Applicants are required to their applications only through any of the following Application Collecting Intermediaries

I. An SCSB, with whom the bank account to be blocked, is maintained
II. A syndicate member (or sub-syndicate member)
III. A stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
IV. A depository participant ('DP') (Whose name is mentioned on the website of the stock exchange as eligible for this activity)
V. A registrar to an issuer and share transfer agent ('RTA') (Whose name is mentioned on the website of the stock exchange as eligible for this activity)

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.

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 exchanges(s) and may being 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 stock exchange(s). 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.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Application are deemed to have authorised our Company to make the necessary changes in the prospectus, without prior or subsequent notice of such changes to the Applicants.
Availability of Prospectus and Application Forms.

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, Registrar to the Issue as mentioned in the application Form. The application forms may also be downloaded from the website of BSE Limited i.e. www.bseindia.com.

Who can apply?

a.) Indian nationals resident in India who are not incompetent to contract under the Indian Contract Act,1872, as amended, in single or as a joint application and minors having valid demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);

b.) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: "Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Applications by HUFs would be considered at par with those from individuals;

c.) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;

d.) Mutual Funds registered with SEBI;

e.) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;

f.) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);

g.) FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;

h.) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;

i.) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional applicant's category;

j.) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;

k.) Foreign Venture Capital Investors registered with the SEBI;

l.) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;

m.) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;

n.) Insurance Companies registered with Insurance Regulatory and Development Authority, India;

o.) Provident Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;

p.) Pension Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;

q.) 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;

r.) Insurance funds set up and managed by army, navy or air force of the Union of India;

s.) Multilateral and bilateral development financial institution;

t.) Eligible QFIs;

u.) Insurance funds set up and managed by army, navy or air force of the Union of India;

v.) Insurance funds set up and managed by the Department of Posts, India;

w.) Any other person eligible to applying in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

Applications not to be made by:

1. Minors (except under guardianship)
2. Partnership firms or their nominees
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.

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.

Participation by associates/affiliates of Lead Manager

The Lead Manager shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the Lead Manager may subscribe to Equity Shares in the Issue, either in the QIB Portion and Non-Institutional Portion where the allotment is on a proportionate basis.

Option to Subscribe to the Issue

1. Our Company shall allot the specified securities in dematerialised form only. Investors opting for allotment in dematerialised form may get the specified securities rematerialised subsequent to allotment.

2. The equity shares, on allotment, shall be traded on stock exchange in demat segment only.

3. A single application from any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines.

Application by Indian Public including eligible NRIs applying on Non-Repatriation

Application must be made only in the names of individuals, Limited Companies or Statutory Corporations/institutions and not in the names of Minors, Foreign Nationals, Non Residents (except for those applying on non-repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a Company), Hindu Undivided Families. In case of HUF's 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.

Application by Mutual Funds

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any Company's paid up share capital carrying voting rights.

The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

Applications by Eligible NRIs/FII's on Repatriation Basis

Application Forms have been made available for Eligible NRIs at the Company's Registered Office and at the office of Lead Manager to the Issue.

Eligible NRI applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment. The Eligible NRIs who intend to make payment through Non Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians and should not use the form meant for the reserved category.

Under the Foreign Exchange Management Act, 1999 (FEMA) general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRI's subject to the terms and conditions stipulated therein. Companies are required to file declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares for allotment to NRI's on repatriation basis.

Allotment of Equity Shares to Non Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in Equity Shares will be allowed to be repatriated

along with the income thereon subject to permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws.

The Company does not require approvals from FIPB or RBI for the Transfer of Equity Shares in the issue to eligible NRI's, FII's, Foreign Venture Capital Investors registered with SEBI and multilateral and bilateral development financial institutions.

As per the current regulations, the following restrictions are applicable for investments by FIIs:

The issue of Equity Shares to a single FII should not exceed 10% of our post Issue Paid up Capital of the Company. In respect of an FII investing in Equity Shares of our Company on behalf of its sub accounts, the investment on behalf of each sub account shall not exceed 10% of our total issued capital or 5% of our total issued capital in case such sub account is a foreign corporate or an individual.

In accordance with the foreign investment limits, the aggregate FII holding in our Company cannot exceed 24% of our total issued capital. However, this limit can be increased to the permitted sectoral cap/statutory limit, as applicable to our Company after obtaining approval of its board of Directors followed by the special resolution to that effect by its shareholders in their General Meeting. As on the date of filing the Draft Prospectus, no such resolution has been recommended to the shareholders of the Company for adoption.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of regulation 15A(1) of the Securities Exchange Board of India (Foreign Institutional Investors) Regulations 1995, as amended, an FII may issue, deal or hold, off shore derivative instruments such as participatory notes, equity linked notes or any other similar instruments against underlying securities listed or proposed to be listed in any stock exchange in India only in favour of those entities which are regulated by any relevant regulatory authorities in the countries of their incorporation or establishment subject to compliance of "Know Your Client" requirements. An FII shall also ensure that no further downstream issue or transfer of any instrument referred to hereinabove is made to any person other than a regulated entity.

In case of FII's in NRI/FII Portion, number of Equity Shares applied shall not exceed issue size.

Application by SEBI registered Alternative Investment Fund (AIF), Venture Capital Funds and Foreign Venture Capital Investors

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. As per the current regulations, the following restrictions are applicable for SEBI registered venture capital funds and foreign venture capital investors:

Accordingly, the holding by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund; a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign Venture Capital investor can invest only up to 33.33% of the funds available for investment by way of subscription to an Initial Public Offer.

The SEBI (Alternative Investment funds) Regulations, 2012 prescribes investment restrictions for various categories of AIF's.

The category I and II AIFs cannot invest more than 25% of the corpus in one investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A Venture capital fund registered as a category I AIF, as defined in the SEBI Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI Regulations shall continue to be regulated by the VCF Regulations.

Applications by Limited Liability Partnerships

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing which, the Company reserves the right to reject any application, without assigning any reason thereof.

Applications by Insurance Companies

In case of applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, the Company reserves the right to reject any application, without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended (The"IRDA Investment Regulations"), are broadly set forth below:

a) equity shares of a Company: the least of 10% of the investee Company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;

b) the entire group of the investee Company: the least of 10% of the respective fund in case of a life insurer or general insurer or reinsurer or 10% of investment assets in case of a general insurer or reinsurer (25% in case of ULIPS); and

c) The industry sector in which the investee Company operates: the least of 10% of the insurer's total investment exposure to the industry sector (25% in case of ULIPS).

In addition, the IRDA partially amended the exposure limits applicable to investments in public limited companies in infrastructure and housing sectors i.e. 26th December, 2008, providing, among other things, that the exposure of an insurer to an infrastructure Company may be increased to not more than 20%, provided that in case of equity investment, a dividend of not less than 4% including bonus should have been declared for at least five preceding years. This limit of 20% would be combined for debt and equity taken together, without sub ceilings.

Further, investments in equity including preference shares and the convertible part of debentures shall not exceed 50% of the exposure norms specified under the IRDA Investment Regulations.

Application by Provident Funds / Pension Funds

In case of applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of Rs. 2,500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, the Company reserves the right to reject any application, without assigning any reason thereof.

Application under Power of Attorney

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 25 Crores (subject to applicable law) and pension funds with a minimum corpus of Rs. 25 Crores a certified copy of the power of attorney or the relevant Resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, the Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In addition to the above, certain additional documents are required to be submitted by the following entities:

a) With respect to applications by VCFs, FVCIs, FPIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.

b) With respect to applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged with the Application Form as applicable. Failing this, the Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.

c) With respect to applications made by provident funds with minimum corpus of Rs. 25 Crores (subject to applicable law) and pension funds with a minimum corpus of Rs. 25 Crores, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form . Failing this, the Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.

The Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form , subject to such terms and conditions that the Company and the lead manager may deem fit.

The Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of printing particulars on the refund order and mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the 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.

ISSUE PROCEDURE FOR ASBA (APPLICATION SUPPORTED BY BLOCKED ACCOUNT) APPLICANTS

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of the Draft Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

Lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on http://www.sebi.gov.in. For details on designated branches of SCSB collecting the Application Form, please refer the above mentioned SEBI link.

ASBA Process

A Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank

account utilized by the ASBA Applicant ("ASBA Account") is maintained. The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Application, as the case may be.

The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. 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 bank accounts and for transferring the amount allocable to the successful ASBA Applicants to the ASBA Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Lead Manager.

ASBA Applicants are required to submit their Applications, either in physical or electronic mode. In case of application in physical mode, the ASBA Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB or Registered Brokers or Registered RTA's or DPs registered with SEBI. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

Who can apply?

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process.

Mode of Payment

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB.

Application Amount paid in cash, by money order or by postal order or by stock invest, or ASBA Application Form accompanied by cash, draft, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted.

After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application Form till the Designated Date.

On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the ASBA Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

The entire Application Amount, as per the Application Form submitted by the respective ASBA Applicants, would be required to be blocked in the respective ASBA Accounts until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Application, as the case may be.

Unblocking of ASBA Account

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Issue Account as per section 40(3) of the Companies Act, 2013and shall unblock excess amount, if any in the ASBA Account.

However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case may be.

Maximum and Minimum Application Size

The applications in this Issue, being a fixed price issue, will be categorized into two;

(a) For Retail Individual Applicants

The Application must be for a minimum of 1,000 Equity Shares so as to ensure that the Application amount payable by the Applicant does not exceed Rs. 2,00,000.

(b) For Other Applicants (Non Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds Rs. 2,00,000 and in multiples of 1,000 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 in Applications, the Non Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non Institutional Portion.

Applicants are advised to ensure that any single Application form 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 the Draft Prospectus.

Information for the Applicants:

a.) The Company will file the Prospectus with the ROC at least 3 (three) days before the Issue Opening Date.

b.) The Lead Manager will circulate copies of the Prospectus along with the Application Form to potential investors.

c.) Any investor, being eligible to invest in the Equity Shares offered, who would like to obtain the Prospectus and/ or the Application Form can obtain the same from the Company's Registered Office or from the Registered Office of the Lead Manager.

d.) Applicants who are interested in subscribing to the Equity Shares should approach the Lead Manager or their authorized agent(s) to register their Applications.

e.) Applications made in the name of Minors and/or their nominees shall not be accepted.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013, the Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one Gujarati newspaper with wide circulation.

Signing of Underwriting Agreement

The issue is 100% Underwritten. Our Company has entered into an Underwriting Agreement with the Lead Manager and NNM Securities Pvt. Ltd. On May 25, 2016.

Filing of the Prospectus with the RoC

The Company will file a copy of the Prospectus with the RoC in terms of Section 26 of Companies Act, 2013.

Designated Date and Allotment of Equity Shares

a) **Designated Date:** On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into 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 on its website. On the basis of 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 Participants 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 that: (i)** the allotment of the equity shares; and (ii) initiate corporate action for credit of shares to the successful applicants Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under Section 56 of the Companies Act, 2013 or other applicable provisions, if any.

Interest and Refunds

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 instruction for credit to Equity Shares the beneficiary account with DPs, and dispatch the allotment Advise within 6 Working Days of the Issue Closing Date.

Grounds for Refund

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 Basic of Allotment may be finalised.

If the permission to deal in and official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all money received from the Applicants in pursuance of the Prospectus.

In the event that the listing of the Equity Shares does not occur in the manner described in this Draft Prospectus, the Lead Manager and Registrar to the Issue shall intimate Public Issue bank/Bankers to the Issue and Public Issue Bank/Bankers to the Issue shall transfer the funds from Public Issue account to Refund Account as per the written instruction from lead Manager and the Registrar for further payment to the beneficiary bidders.

If such money is not repaid within 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 the Companies Act, and as disclosed in the Prospectus.

Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per section 39 of the Companies Act, 2013,if the "Stated Minimum Amount" has not be subscribed and the sum payable on application money has to be returned within such 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 the Issuer does not received the subscription of 100% of the Issue through this offer document including devolvement of underwriters within 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 eight days after the Issuer become liable to pay the amount, the Issuer shall pay interest prescribed under section 73 of the Companies act, 1956 (or the Company shall follow any other substitutional or additional provisions as has been or may be notified under the Companies Act, 2013)

Minimum Number of Allottees

The Issuer may ensure that the number of provisions Allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be refunded forthwith.

Mode of Refund

In case of ASBA Application: Within 6 working days of the Issue Closing Date, the Registrar to the Issue may give instruction to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application and also for any excess amount blocked on Application.

Mode of making refund for ASBA applicants: In case of ASBA Application, the registrar of 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.

Interest in case of Delay in Allotment or Refund:

The Issuer may pay interest at the Rate of 15% per annum to Applicants if the funds are not unblocked within the 6 Working days of the Issue Closing Date.

Issuance of Allotment Advice

1. Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Lead Manager or the Registrar to the Issue shall send to the Bankers to the Issue a list of their Applicants who have been allocated/Allotted Equity Shares in this Issue.

2. Pursuant to confirmation of corporate actions with respect to Allotment of Equity Shares, the Registrar to the Issue will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.

3. Approval of the Basis of Allotment by the Designated Stock Exchange. As described above shall be deemed a valid, binding and irrevocable contract for the 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 Depository Participant and 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 (as defined herein below) 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 Applications submitted by any person resident outside India is in compliance with applicable foreign and Indian laws
- All Applicants should submit their application through ASBA process only.

Don'ts:

- Do not apply for lower than the minimum Application size;
- Do not apply at 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 Bankers of the Issue.
- 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 same to the Selected Branches / Offices of the Banker to the Issue.
- 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.

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 submitted to the SCSBs should bear the stamp of respective intermediaries to whom the application form submitted. Application form submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application forms submitted by Applicants whose beneficiary account is inactive shall 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 Bombay Stock Exchange of India Limited i.e. www.bseindia.com.

Applicant's Depository Account and Bank Details

Please note that, providing bank account details 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, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Bank Account details would be used for giving refunds to the Applicants. Hence, Applicants are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at the Applicants' sole risk and neither the Lead Manager or the Registrar to the Issue or the Escrow Collection Banks or the SCSB nor the Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form. These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. 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.

Payment by Stock Invest

In terms of the Reserve Bank of India Circular No.DBOD No. FSC BC 42/ 24.47.00/ 2003 04 dated November 5, 2003; the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

OTHER INSTRUCTIONS

Joint Applications in the case of Individuals

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Applications

An Applicant should submit only one Application (and not more than one). Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

i. All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications

ii. Applications which do not qualify as multiple applications as per above procedure are further

checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.

iii. Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

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.

In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of "know your client" norms by the depositories. The Company reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application either in physical or electronic mode, an ASBA Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB Submission of a second Application in such manner will be deemed a multiple Application and would be rejected. More than one ASBA Applicant may apply for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Application Forms with respect to any single ASBA Account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple Applications and are liable to be rejected. The Company, in consultation with the Lead Manager reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Issue to detect multiple Applications is given below:

1. All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII sub-accounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.

2. For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

Permanent Account Number or PAN

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number ("PAN") to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. Applications without the PAN will be considered incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

Our Company/ Registrar to the Issue/ Lead Manager can, however, accept the Application(s) in which PAN is wrongly entered into by ASBA SCSB's in the ASBA system, without any fault on the part of Applicant.

RIGHT TO REJECT APPLICATIONS

In case of QIB Applicants, the Company in consultation with the Lead Manager 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.

GROUNDS FOR REJECTIONS

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid does not tally with the amount payable for the highest value of Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names 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 persons;
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than 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 1,000;
- Category not ticked;
- Multiple Applications as defined in the Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulations or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Applications not duly signed;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications by any person 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;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of Rs. 2,00,000, received after 3.00 pm on the Issue Closing Date;
- Applications not containing the details of Bank Account and/or Depositories Account.

Equity Shares In Dematerialized Form with NSDL or CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

a) a tripartite agreement dated June 03, 2015 with NSDL, our Company and Registrar to the Issue;
b) a tripartite agreement dated May 07, 2015 with CDSL, our Company and Registrar to the Issue;

The Company's shares bear an ISIN No INE819S01017

a) An applicant applying for Equity Shares in demat form must have at least one beneficiary account with the Depository Participants of either NSDL or CDSL prior to making the application.
b) The applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's Identification number) appearing in the Application Form or Revision Form.
c) Equity Shares allotted to a successful applicant will be credited in electronic form directly to the Applicant's beneficiary account (with the Depository Participant).
d) Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
e) If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
f) The Applicant is responsible for the correctness of his or her demographic details given in the Application Form vis-à-vis those with their Depository Participant.
g) It may be noted that Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange platform where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
h) The trading of the Equity Shares of our Company would be only in dematerialized form.

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 Banker to the Issue where the Application was submitted 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 applications and application moneys and interest in case of delay

The Company shall ensure the dispatch of Allotment advise, instructions to SCSBs and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within one working day of the date of Allotment of Equity Shares.

The Company shall use best efforts that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE where the Equity Shares are proposed to be listed are taken within 6 (six) working days of closure of the issue.

IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of section 38(1) 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 of Companies Act, 2013 and shall be treated as Fraud.

Section 447 of the Companies Act, 2013, is reproduced as below:

"Without Prejudice to any liability including repayment of any debt under this Act or any other law for the time being in force, any person who is found to be guilty of fraud, shall be punishable with imprisonment for a term which shall not be less than six months but which may exceed to ten years and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud:

Provided that where the fraud in question involves public interest, the term of imprisonment shall not be less than three years."

BASIS OF ALLOTMENT

Allotment will be made in consultation with SME Platform of BSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. 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).

2. 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).

3. For applications where the proportionate allotment works out to less than 1,000 equity shares the allotment will be made as follows:

    a. Each successful applicant shall be allotted 1,000 equity shares; and
    b. 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.

4. If the proportionate allotment to an applicant works out to a number that is not a multiple of 1,000 equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 1,000 equity shares subject to a minimum allotment of 1,000 equity shares.

5. If the Shares allocated 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 1,000 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, up to 110% of the size of the offer specified under the Capital Structure mentioned in the Draft Prospectus.

6. The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below:

    a. A minimum of 50% of the net offer of shares to the Public shall initially be made available for

allotment to retail individual investors as the case may be.

b. The balance net offer of shares to the public shall be made available for allotment to a) individual applicants other than retails individual investors and b) other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
c. The unsubscribed portion of the net to any one of the categories specified in (a) or (b) shall/may be made available for allocation to applicants in the other category, if so required.

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

Please note that the Allotment to each Retail Individual Investor shall not be less than the minimum application lot, subject to availability of Equity Shares in the Retail portion. The remaining available Equity Shares, if any in Retail portion shall be allotted on a proportionate basis to Retail individual Investor in the manner in this para titled 'Basis of Allotment' beginning on page 211 of Draft Prospectus.

'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 the SME Platform of BSE.

Basis of Allotment in the event of Under subscription

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100% of the Issue size as specified in page 205 shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange.

The Executive Director/Managing Director of the SME Platform of BSE - the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue 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.

As per the RBI regulations, OCBs are not permitted to participate in the Issue.

There is no reservation for Non Residents, NRIs, FPIs and foreign venture capital funds and all Non Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.

Undertaking by our Company

Our Company undertakes the following:

1. that the complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily;

2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 (Six) working days of closure of the Issue;

3. that funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by us;

4. that the instruction for electronic credit of Equity Shares/ refund orders/intimation about the refund to non-resident Indians shall be completed within specified time; and

5. that no further issue of Equity Shares shall be made till the Equity Shares offered through the Draft Prospectus are listed or until the Application monies are refunded on account of non-listing,

under subscription etc.

6. that Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

Utilization of Issue Proceeds

Our Board certifies that:

1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act; 2013

2) Details of all monies utilized out of the Issue shall be disclosed and continue to be disclosed till any part of the issue proceeds remains unutilized under an appropriate separate head in the Company's balance sheet indicating the purpose for which such monies have been utilized;

3) Details of all unutilized monies out of the Issue, if any shall be disclosed under an appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and

4) Our Company shall comply with the requirements of section SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to section 177 of the Company's Act, 2013 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue respectively.

5) Our Company shall not have recourse to 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.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Foreign investment is allowed up to100% under automatic route in our Company.

India's current Foreign Direct Investment ("FDI") Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GOI ("DIPP") by circular of 2015, with effect from May 12, 2015 ("Circular of 2015"), consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP. The Government usually updates the consolidated circular on FDI Policy once every Year and therefore, Circular of 2015 will be valid until the DIPP issues an updated circular.

The transfer of shares by an Indian resident to a Non-Resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI/RBI. Further, in terms of the Consolidated FDI Policy, prior approval of the RBI shall not be required for transfer of shares between an Indian resident and person not resident in India if conditions specified in the Consolidated FDI Policy have been met. The transfer of shares of an Indian company by a person resident outside India to an Indian resident, where pricing guidelines specified by RBI under the foreign exchange regulations in India are not met, will not require approval of the RBI, provided that (i) the original and resultant investment is in line with Consolidated FDI policy and applicable foreign exchange regulations pertaining to inter alia sectoral caps and reporting requirements; (ii) the pricing is in compliance with applicable regulations or guidelines issued by SEBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

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, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them.

SECTION VIII – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Pursuant to Schedule II 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 and/or on their consolidation/splitting are detailed below. Please note that the each provision herein below is numbered as per the corresponding article number in the Articles of Association. Certain defined terms used in the Articles of Association are set forth below. All other defined terms used in this section have the meaning given to them in the Articles of Association

1.	No regulation contained in Table "F" in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto.	**Table F Applicable.**
	Interpretation Clause	
2.	In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:	
	(a) "The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.	**Act**
	(b) "These Articles" means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.	**Articles**
	(c) "Auditors" means and includes those persons appointed as such for the time being of the Company.	**Auditors**
	(d) "Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company.	**Capital**
	(e) "The Company" shall mean **Zeal AquaLimited**	**The Company**
	(f) Executor" or "Administrator" means a person who has obtained a probate or letter of administration,	**Executor**

		as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963	**or Administrator**
	(g)	"Legal Representative" means a person who in law represents the estate of a deceased Member.	**Legal Representative**
	(h)	Words importing the masculine gender also include the feminine gender.	**Gender**
	(i)	"In Writing" and "Written" includes printing lithography and other modes of representing or reproducing words in a visible form.	**In Writing and Written**
	(j)	The marginal notes hereto shall not affect the construction thereof.	**Marginal notes**
	(k)	"Meeting" or "General Meeting" means a meeting of members.	**Meeting or General Meeting**
	(l)	"Month" means a calendar month.	**Month**
	(m)	"Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act.	**Annual General Meeting**
	(n)	"Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.	**Extra-Ordinary General Meeting**
	(o)	"National Holiday" means and includes a day declared as National Holiday by the Central Government.	**National Holiday**
	(p)	"Non-retiring Directors" means a director not subject to retirement by rotation.	**Non-retiring Directors**
	(q)	"Office" means the registered Office for the time being of the Company.	**Office**
	(r)	"Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114of the Act.	**Ordinary and Special Resolution**
	(s)	"Person" shall be deemed to include corporations and firms as well as individuals.	**Person**
	(t)	"Proxy" means an instrument whereby any person is authorized to vote for a member at	**Proxy**

	General Meeting or Poll and includes attorney duly constituted under the power of attorney.	
	(u) "The Register of Members" means the Register of Members to be kept pursuant to Section 88(1)(a)of the Act.	**Register of Members**
	(v) "Seal" means the common seal for the time being of the Company.	**Seal**
	(w) "Special Resolution" shall have the meanings assigned to it by Section 114of the Act.	**Special Resolution**
	(x) Words importing the Singular number include where the context admits or requires the plural number and vice versa.	**Singular number**
	(y) "The Statutes" means the Companies Act, 2013and every other Act for the time being in force affecting the Company.	**Statutes**
	(z) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.	**These presents**
	(aa) "Variation" shall include abrogation; and "vary" shall include abrogate.	**Variation**
	(bb) "Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act.	**Year and Financial Year**
	Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.	**Expressions in the Act to bear the same meaning in Articles**
	CAPITAL	
3.	a) The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V (a) of Memorandum of Association of the Company from time to time.	**Authorized Capital.**
	b) The minimum paid up Share capital of the Company shall be Rs.5,00,000/- or such other higher sum as may be prescribed in the Act from time to time.	
4.	The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be	**Increase of capital by the Company how carried into effect**

	deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64of the Act.	
5.	Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.	**New Capital same as existing capital**
6.	The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premium, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.	**Non Voting Shares**
7.	Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.	**Redeemable Preference Shares**
8.	The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.	**Voting rights of preference shares**
9.	On the issue of redeemable preference shares under the provisions of Article 7 hereof , the following provisions-shall take effect: (a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption; (b) No such Shares shall be redeemed unless they are fully paid; (c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided	**Provisions to apply on issue of Redeemable Preference Shares**

	for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed; (d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and (e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital	
10.	The Company may (subject to the provisions of sections52, 55, 56, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce (a) the share capital; (b) any capital redemption reserve account; or (c) any security premium account In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.	**Reduction of capital**
11.	Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.	**Debentures**

12.	The Company may exercise the powers of issuing sweat equity shares conferred by Section 54of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.	**Issue of Sweat Equity Shares**
13.	The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.	**ESOP**
14.	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**
15.	Subject to the provisions of Section 61of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.	**Consolidation, Sub-Division And Cancellation**
16.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.	**Issue of Depository Receipts**
17.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.	**Issue of Securities**
	MODIFICATION OF CLASS RIGHTS	
18.	(a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the	**Modification of rights**

	consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting. Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.	
19.	(b) The rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking *pari passu* therewith.	**New Issue of Shares not to affect rights attached to existing shares of that class.**
20.	Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in 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 and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.	**Shares at the disposal of the Directors.**
21.	The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.	**Power to issue shares on preferential basis.**
22.	The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number	**Shares should be Numbered progressively and no share to be subdivided.**

	by which the same was originally distinguished.	
23.	An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.	**Acceptance of Shares.**
24.	Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.	**Directors may allot shares as full paid-up**
25.	The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.	**Deposit and call etc. to be a debt payable immediately.**
26.	Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof.	**Liability of Members.**
27.	Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.	**Registration of Shares.**
	RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT	
28.	The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Sections39of the Act	
	CERTIFICATES	

29.	(a)	Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holder. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.	**Share Certificates.**
	(b)	Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding	

	Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act. (c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.	
30.	If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer. Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf. The provisions of this Article shall mutatis mutandis apply to debentures of the Company.	**Issue of new certificates in place of those defaced, lost or destroyed.**
31.	(a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.	**The first named joint holder deemed Sole holder.**
	(b) The Company shall not be bound to register more than three persons as the joint holders of any share.	**Maximum number of joint holders.**

32.	Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognize any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.	**Company not bound to recognize any interest in share other than that of registered holders.**
33.	If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.	**Installment on shares to be duly paid.**
	UNDERWRITING AND BROKERAGE	
34.	Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.	**Commission**
35.	The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.	**Brokerage**
	CALLS	
36.	(1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board. (2) A call may be revoked or postponed at the	**Directors may make calls**

	discretion of the Board. (3) A call may be made payable by installments.	
37.	Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.	**Notice of Calls**
38.	A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorizing such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.	**Calls to date from resolution.**
39.	Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.	**Calls on uniform basis.**
40.	The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.	**Directors may extend time.**
41.	If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 21% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.	**Calls to carry interest.**
42.	If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.	**Sums deemed to be calls.**
43.	On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed	**Proof on trial of suit for money due on shares.**

	to be due to the Company in respect of his shares, if shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.	
44.	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of 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 thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.	**Judgment, decree, partial payment *suo motto* proceed for forfeiture.**
45.	(a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits. (b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the	**Payments in Anticipation of calls may carry interest**

	Company.	
	LIEN	
46.	The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.	**Company to have Lien on shares.**
47.	For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfillment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorize some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.	**As to enforcing lien by sale.**
48.	The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to 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.	**Application of proceeds of sale.**
	FORFEITURE AND SURRENDER OF SHARES	
49.	If any Member fails to pay the whole or any part of any call or installment or any moneys due in respect of any	**If call or installment not paid, notice may be given.**

	shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or installment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or installment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.	
50.	The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or installment and such interest thereon as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.	**Terms of notice.**
51.	If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.	**On default of payment, shares to be forfeited.**
52.	When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.	**Notice of forfeiture to a Member**
53.	Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder	**Forfeited shares to be property of the Company and may be sold**

	thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.	**etc.**
54.	Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.	**Members still liable to pay money owing at time of forfeiture and interest.**
55.	The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.	**Effect of forfeiture.**
56.	A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.	**Evidence of Forfeiture.**
57.	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: if any, nor shall his title to the share be affected by any irregularly or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.	**Title of purchaser and allottee of Forfeited shares.**
58.	Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.	**Cancellation of share certificate in respect of forfeited shares.**
59.	In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion	**Forfeiture may be remitted.**

	and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.	
60.	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.	**Validity of sale**
61.	The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.	**Surrender of shares.**
	TRANSFER AND TRANSMISSION OF SHARES	
62.	(a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee. (b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.	**Execution of the instrument of shares.**
63.	The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof. The instrument of transfer shall be in a common form approved by the Exchange;	**Transfer Form.**
64.	The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name,	**Transfer not to be registered except on production of instrument of transfer.**

	address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.	
65.	Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register— (a) any transfer of shares on which the company has a lien.	**Directors may refuse to register transfer.**
66.	If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.	**Notice of refusal to be given to transferor and transferee.**
67.	No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.	**No fee on transfer.**
68.	The Board of Directors shall have power on giving not less than seven days pervious notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.	**Closure of Register of Members or debenture holder or other security holders.**
69.	The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors	**Custody of transfer Deeds.**

	may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.	
70.	Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.	**Application for transfer of partly paid shares.**
71.	For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.	**Notice to transferee.**
72.	(a) 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 person recognized by the Company as having any title to his interest in the shares. (b) Before recognizing any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India. Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate (c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.	**Recognition of legal representative.**
73.	The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or	**Titles of Shares of deceased Member**

	Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72of the Companies Act.	
74.	Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.	**Notice of application when to be given**
75.	Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.	**Registration of persons entitled to share otherwise than by transfer. (transmission clause).**
76.	Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.	**Refusal to register nominee.**
77.	Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.	**Board may require evidence of transmission.**

78.	The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.	**Company not liable for disregard of a notice prohibiting registration of transfer.**
79.	In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in form SH4 hereof as circumstances permit.	**Form of transfer Outside India.**
80.	No transfer shall be made to any minor, insolvent or person of unsound mind.	**No transfer to insolvent etc.**
	NOMINATION	
81.	i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013shall apply in respect of such nomination. ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014 iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination. iv) If the holder(s) of the securities survive(s)	**Nomination**

	nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.	
82.	A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either- (i) to be registered himself as holder of the security, as the case may be; or (ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made; (iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be; (iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company. Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.	**Transmission of Securities by nominee**
	DEMATERIALISATION OF SHARES	
83.	Subject to the provisions of the Act and Rules made thereunder the Company may offer its members facility to hold securities issued by it in dematerialized form.	**Dematerialization of Securities**
	JOINT HOLDER	
84.	Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.	**Joint Holders**

85.	(a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.	**Joint and several liabilities for all payments in respect of shares.**
	(b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;	**Title of survivors.**
	(c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and	**Receipts of one sufficient.**
	(d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the holders.	**Delivery of certificate and giving of notices to first named holders.**
	SHARE WARRANTS	
86.	The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (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 a share warrant.	**Power to issue share warrants**
87.	(a) The bearer of a share warrant may at any time deposit the warrant at 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 call in 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 clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant. (b) Not more than one person shall be recognized as depositor of the Share warrant.	**Deposit of share warrants**

	(c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.	
88.	(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company. (b) The bearer of a 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 holder of the Share included in the warrant, and he shall be a Member of the Company.	**Privileges and disabilities of the holders of share warrant**
89.	The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.	**Issue of new share warrant coupons**
	CONVERSION OF SHARES INTO STOCK	
90.	The Company may, by ordinary resolution in General Meeting. a) convert any fully paid-up shares into stock; and b) re-convert any stock into fully paid-up shares of any denomination.	**Conversion of shares into stock or reconversion.**
91.	The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation 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.	**Transfer of stock.**
92.	The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.	**Rights of stock holders.**
93.	Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words	**Regulations.**

	"share" and "shareholders" in those regulations shall include "stock" and "stockholders" respectively.	
	BORROWING POWERS	
94.	Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting 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 specified purpose.	**Power to borrow.**
95.	Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.	**Issue of discount etc. or with special privileges.**
96.	The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may	**Securing payment or repayment of Moneys borrowed.**

	be.	
97.	Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.	**Bonds, Debentures etc. to be under the control of the Directors.**
98.	If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.	**Mortgage of uncalled Capital.**
99.	Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surely for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.	**Indemnity may be given.**
	MEETINGS OF MEMBERS	
100.	All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.	**Distinction between AGM & EGM.**
101.	(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of	**Extra-Ordinary General Meeting by Board and by requisition**
	(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.	**When a Director or any two Members may call an Extra Ordinary General Meeting**

102.	No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.	**Meeting not to transact business not mentioned in notice.**
103.	The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair then the Members present shall elect one of the members to be the Chairman of the meeting.	**Chairman of General Meeting**
104.	No business, except the election of a Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.	**Business confined to election of Chairman whilst chair is vacant.**
105.	a) 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. b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. c) 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. d) 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.	**Chairman with consent may adjourn meeting.**
106.	In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.	**Chairman's casting vote.**
107.	Any poll duly demanded on the election of Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.	**In what case poll taken without adjournment.**
108.	The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.	**Demand for poll not to prevent transaction of other business.**

	VOTES OF MEMBERS	
109.	No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum 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 or lien.	**Members in arrears not to vote.**
110.	Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.	**Number of votes each member entitled.**
111.	On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.	**Casting of votes by a member entitled to more than one vote.**
112.	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor 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.	**Vote of member of unsound mind and of minor**
113.	Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.	**Postal Ballot**
114.	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and	**E-Voting**

	shall vote only once.	
115.	a) 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. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof. b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.	**Votes of joint members.**
116.	Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorized as mentioned in Articles	**Votes may be given by proxy or by representative**
117.	A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorize such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorized by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.	**Representation of a body corporate.**
118.	(a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.	**Members paying money in advance.**
	(b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.	**Members not prohibited if share not held for any specified period.**
119.	Any person entitled under Article 73 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he	**Votes in respect of shares of deceased or insolvent members.**

	were the registered holder of such shares, provided that at least 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 transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.	
120.	No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorized under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.	**No votes by proxy on show of hands.**
121.	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.	**Appointment of a Proxy.**
122.	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	**Form of proxy.**
123.	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.	**Validity of votes given by proxy not withstanding death of a member.**
124.	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.	**Time for objections to votes.**
125.	Any such objection raised to the qualification of any	**Chairperson of the Meeting to be**

	voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.	**the judge of validity of any vote.**
	DIRECTORS	
126.	Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution	**Number of Directors**
127.	81. The following shall be the First Directors of the Company : a. KETAN BHUPENDRA KHANT b. ANJALI KETAN KHANT c. ASHFAK HANIF MULLA	**First Directors**
128.	A Director of the Company shall not be bound to hold any Qualification Shares in the Company.	**Qualification shares.**
129.	(a) Subject to the provisions of the Companies Act, 2013and notwithstanding anything to the contrary contained in these Articles, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement (b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled. (c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board. (d) The Nominee Director/s shall, notwithstanding anything to the Contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution	**Nominee Directors.**

	appointing him/them as such Director/s.	
130.	The Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.	**Appointment of alternate Director.**
131.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only up to the date of the next Annual General Meeting.	**Additional Director**
132.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it had not been vacated by him.	**Directors' power to fill casual vacancies.**
133.	Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.	**Sitting Fees.**
134.	The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.	**Travelling expenses Incurred by Director on Company's business.**
	PROCEEDING OF THE BOARD OF DIRECTORS	
135.	(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit.	**Meetings of Directors.**

	(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.	
136.	a) The Directors may from time to time elect from among their members a Chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of the Directors then present to preside at the meeting. b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time.	**Chairperson**
137.	Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman will have a second or casting vote.	**Questions at Board meeting how decided.**
138.	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.	**Continuing directors may act notwithstanding any vacancy in the Board**
139.	Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.	**Directors may appoint committee.**
140.	The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.	**Committee Meetings how to be governed.**
141.	a) A committee may elect a Chairperson of its	**Chairperson of Committee**

	meetings. b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.	**Meetings**
142.	a) A committee may meet and adjourn as it thinks fit. 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.	**Meetings of the Committee**
143.	Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.	**Acts of Board or Committee shall be valid notwithstanding defect in appointment.**
	RETIREMENT AND ROTATION OF DIRECTORS	
144.	Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.	**Power to fill casual vacancy**
	POWERS OF THE BOARD	
145.	The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.	**Powers of the Board**

146.	Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say	**Certain powers of the Board**
	(1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorized to carry on, in any part of India.	**To acquire any property , rights etc.**
	(2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.	**To take on Lease.**
	(3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.	**To erect & construct.**
	(4) At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share 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 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.	**To pay for property.**
	(5) To insure and keep insured against loss or damage by fire or otherwise for such period and	**To insure properties of the**

	to such extent as they may think proper all or any part of the buildings, 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.	**Company.**
	(6) To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.	**To open Bank accounts.**
	(7) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.	**To secure contracts by way of mortgage.**
	(8) To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.	**To accept surrender of shares.**
	(9) To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.	**To appoint trustees for the Company.**
	(10) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon.	**To conduct legal proceedings.**
	(11) To act on behalf of the Company in all matters relating to bankruptcy insolvency.	**Bankruptcy & Insolvency**
	(12) To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.	**To issue receipts & give discharge.**
	(13) Subject to the provisions of the Act, and these	**To invest and deal with money of**

	Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realize such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.	**the Company.**
	(14) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;	**To give Security by way of indemnity.**
	(15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.	**To determine signing powers.**
	(16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.	**Commission or share in profits.**
	(17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.	**Bonus etc. to employees.**
	(18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the	**Transfer to Reserve Funds.**

	purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the depredation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.	
	(19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.	**To appoint and remove officers and other employees.**
	(20) At any time and from time to time by power of attorney under the seal of the Company, 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 Board under these presents and excluding	**To appoint Attorneys.**

	the power to make calls and excluding also except in their limits authorized by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.	
	(21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.	**To enter into contracts.**
	(22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.	**To make rules.**
	(23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.	**To effect contracts etc.**
	(24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.	**To apply & obtain concessions licenses etc.**
	(25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of	**To pay commissions or interest.**

	Sections 40of the Act and of the provisions contained in these presents.	
	(26) To redeem preference shares.	**To redeem preference shares.**
	(27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.	**To assist charitable or benevolent institutions.**
	(28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company. (29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.	
	(30) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.	
	(31) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how. (32) To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board	

	may think proper and to manufacture, prepare and sell waste and by-products. (33) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient. (34) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate. (35) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested. (36) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit. (37) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid. (38) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.	
	MANAGING AND WHOLE-TIME DIRECTORS	
147.	a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of	**Powers to appoint Managing/ Whole-time Directors.**

	the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places. b) The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.	
148.	The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.	**Remuneration of Managing or Whole-time Director.**
149.	(1) Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board. (2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers.	**Powers and duties of Managing Director or Whole-time Director.**

	(3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Whole-time Director or Whole-time Directors of the Company and may exercise all the powers referred to in these Articles. (4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit. (5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.	
	Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer	
150.	a) Subject to the provisions of the Act,— i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board; ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer. **b)** A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.	**Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer**
	THE SEAL	

151.	(a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given. (b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India.	**The seal, its custody and use.**
152.	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.	**Deeds how executed.**
	Dividend and Reserves	
153.	(1) 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. (2) 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. (3) 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.	**Division of profits.**
154.	The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.	**The company in General Meeting may declare Dividends.**

155.	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. b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.	**Transfer to reserves**
156.	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.	**Interim Dividend.**
157.	The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.	**Debts may be deducted.**
158.	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.	**Capital paid up in advance not to earn dividend.**
159.	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 dividends as from a particular date such share shall rank for dividend accordingly.	**Dividends in proportion to amount paid-up.**
160.	The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.	**Retention of dividends until completion of transfer under Articles .**
161.	No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him	**No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.**

	to the Company.	
162.	A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.	**Effect of transfer of shares.**
163.	Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.	**Dividend to joint holders.**
164.	a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.	**Dividends how remitted.**
165.	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.	**Notice of dividend.**
166.	No unclaimed dividend shall be forfeited and no unpaid dividend shall bear interest as against the Company.	**No interest on Dividends.**
	CAPITALIZATION	
167.	(1) The Company in General Meeting may, upon the recommendation of the Board, resolve: (a) that it is desirable to capitalize 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 (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions. (2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards: (i) paying up any amounts for the time being unpaid on any shares held by such members respectively; (ii) paying up in full, unissued shares of the	**Capitalization.**

	Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii). (3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares. (4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.	
168.	(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall — (a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and (a) generally to do all acts and things required to give effect thereto. (b) (2) The Board shall have full power - (a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also (b) to authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares. (3) Any agreement made under such authority shall be effective and binding on all such members. (4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue	**Fractional Certificates.**

	including distribution of new equity shares and fractional certificates as they think fit.	
169.	(1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges. (2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof.	**Inspection of Minutes Books of General Meetings.**
170.	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. 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.	**Inspection of Accounts**
	FOREIGN REGISTER	
171.	The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.	**Foreign Register.**
	DOCUMENTS AND SERVICE OF NOTICES	
172.	Any document or notice to be served or given by the Company be signed by a Director or such person duly authorized by the Board for such purpose and the signature may be written or printed or lithographed.	**Signing of documents & notices to be served or given.**
173.	Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorized Officer of the Company and need not be under the Common Seal of the Company.	**Authentication of documents and proceedings.**

	WINDING UP	
174.	Subject to the provisions of Chapter XX of the Act and rules made thereunder— (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. (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. (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 other securities whereon there is any liability.	
	INDEMNITY	
175.	Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463of the Act on which relief is granted to him by the Court.	**Directors' and others right to indemnity.**
176.	Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any	**Not responsible for acts of others**

	loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.	
	SECRECY	
177.	(a) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors 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 contained.	**Secrecy**
	(b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.	**Access to property information etc.**

SECTION X – 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 our Company or contracts entered into more than two (2) years before the date of filing of the Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Prospectus will be delivered to the ROC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at At Olpad, GIDC, Pl No. 4 and 5 Ta Olpad, Surat – 394540 Gujarat, from date of filing the Prospectus with ROC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

Material Contracts

1. Memorandum of understanding dated May 24, 2016 between our Company and the Lead Manager.

2. Agreement dated [●] between our Company and the Registrar to the Issue.

3. Underwriting Agreement dated May 25, 2016 between our Company, the Lead Manager, and Underwriter.

4. Market Making Agreement dated May 25, 2016 between our Company, Lead Manager and Market Maker.

5. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated June 03, 2015.

6. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated May 07, 2015.

7. Banker's to the Issue Agreement [●] dated between our Company, the Lead Manager, Escrow Collection Bank and the Registrar to the Issue.

Material Documents

1. Certified true copy of the Memorandum and Articles of Association of our Company including certificates of incorporation.

2. Board resolution dated May 24, 2016 and special resolution passed pursuant to Section 62(1)(C) of the Companies Act, 2013 at the EGM by the shareholders of our Company held on May 24, 2016.

3. Statement of Tax Benefits dated May 15, 2016 issued by M/s. Bhagat & Co., Chartered Accountants.

4. Copy of Restated Audit report from the peer review certified auditor, M/s. Pary & Co., Chartered Accountants, dated May 01, 2016 included in the Draft Prospectus.

5. Copy of Certificate from the Auditor dated May 01, 2016, regarding the source and deployment of funds as on April 30, 2016.

6. Copies of Audit Report and Annual reports of the Company for the period ended December 31, 2015 and for the year ended March 31, 2015, 2014, 2013, 2012 and 2011 respectively.

7. Consents of Directors, Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditors, Legal Advisor to the Issue, Bankers to our Company, Bankers to the Issue, the Lead Manager, Underwriter, Market Maker, to include their names in the Prospectus to act in their respective capacities.

8. Due Diligence Certificate dated June 6, 2016 from the Lead Manager.

9. Copy of Resolutions and Agreements of their appointment all dated March 25, 2015 fixing the remuneration of Mr. Shantilal Patel, Managing Director, Mr. Pradeep Navik and Mr. Rohan Navik Executive Directors.

10. Copy of Approval dated **[●]** from the SME Platform of BSE.

Any of the contracts or documents mentioned in the 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.

SECTION XI

DECLARATION

All the relevant provisions of the Companies Act, 1956 / Companies Act, 2013 (to the extent notified) and the guidelines issued by the Government of India or the regulations 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 and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 1956 / Companies Act, 2013 (to the extent notified) the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued, as the case may be. We further certify that all statements in this Draft Prospectus are true and correct.

Signed by the Directors of the Company:

Name	Designation	Signature
Mr. Shantilal Patel	Chairman and Managing Director	
Mr.Pradeep Navik	Whole Time Director	
Mr. Rohan Navik	Whole Time Director	
Mr. Naginbhai Patel	Independent Director	
Mrs. Roshan Kadodwala	Independent Director	
Mr. Maheshbhai Mistry	Independent Director	

Signed by:

Name	Designation	Signature
Ms. Javanika Gandharva	Company Secretary	
Mr. Shailendra Singh	Chief Financial Officer	

Place: Surat
Date: June 6, 2016

"Annexure A"

FORMAT FOR DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY CORPORATE STRATEGIC ALLIANZ LIMITED SHALL BE READ AS UNDER:

TABLE 1

Sr No.	Issue Name	Issue Size (Rs. Cr.)	Issue Price (Rs.)	Listing Date	Opening Price on Listing Date	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 30th Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 90th Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 180th Calendar Days from Listing
1.	Ace Tours Worldwide Limited	8.00	16	September 26, 2013	24.95	-5.61 (+3.97)	-0.80 (+5.72)	19.04 (+10.86)
2.	Amrapali Capital & Finance Services Ltd.	25.77	100	October 31, 2013	101.10	-0.10 (-1.76)	-2.47 (-2.44)	-45.60 (+6.15)
3.	Karnavati Finance Limited	2.58	10	February 5, 2015	10.10	1.49 (+2.07)	4.10 (-7.40)	1.98 (-2.70)
4.	Amrapali Fincap Limited	42.48	120	August 5, 2015	122.30	-0.83 (-10.70)	-0.50 (-5.78)	-0.58 (-12.04)
5.	Suncare Traders Limited	24.22	64	December 29, 2015	64.70	-6.06 (-6.17)	-58.70 (-2.84)	- -
6.	Sylph Education Solutions Limited	4.80	12	February 23, 2016	11.40	-12.28 (8.23)	-20.08 (8.08)	-

SUMMARY STATEMENT OF DISCLOSURE

Financial Year	Total No. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPO trading at discount as on 30th calendar day from listing date			Nos. of IPO trading at premium as on 30th calendar day from listing date			Nos. of IPO trading at discount as on 180th calendar day from listing date			Nos. of IPO trading at premium as on 180th calendar day from listing date		
			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%
2015-16	3	71.50	Nil	Nil	3	Nil	Nil	Nil	-	-	1	-	-	-
2014-15	1	2.58	Nil	Nil	Nil	-	-	1	Nil	Nil	Nil	-	-	1
2013-14	2	33.77	Nil	Nil	Nil	Nil	1	1	-	1	-	1	-	-

NOTES:

1. The Information of 180 days has not been given as 180 days from Listing Date has not been completed in respect of Sylph Education Solutions Limited.
2. The Information of 180 Days has not been given, as 180 Days from Listing Date has not been completed in respect of Suncare Traders Limited.
3. Where Closing Price of Particular Calendar Day was not available in absence of trade on that particular day, Closing Price of the previous available trading price is taken.