



SRI KRISHNA CONSTRUCTIONS (INDIA) LIMITED

Our Company was incorporated as "Sri Krishna Constructions (India) Private Limited" in Bangalore, Karnataka, as a private limited company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated December 5, 2005 bearing Corporate Identification Number U45201KA2005PTC037848 issued by Registrar of Companies, Karnataka, Bangalore. Our Company was converted in to public company vide fresh Certificate of Incorporation dated June 29, 2015 and name of our Company was changed to "Sri Krishna Constructions (India) Limited". Our Corporate Identification Number is U45201KA2005PLC037848. For further details of incorporation, changes of name and changes in Registered Office of our Company, please refer to chapter titled "General Information" and 'Our History and Certain Other Corporate Matters' beginning on page 62 and 141 respectively of this Prospectus.

Registered Office: No.1, 4th Main Road, Nehru Circle, Sheshadripuram Bangalore - 560020, Karnataka, India

Tel. No.: 080 23318189; **Fax No.:** 080 23318189

Contact Person: Barun Pandey, Company Secretary and Compliance Officer

Email: cs@skcipl.in; **Website:** www.skcipl.in

PROMOTERS OF OUR COMPANY: KAILASH DUBAL and JIGNESH DUBAL

| THE ISSUE | |
|---|--|
| <p>PUBLIC ISSUE OF 25,20,000 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH ("EQUITY SHARES") OF SRI KRISHNA CONSTRUCTIONS (INDIA) LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF RS. 45 PER EQUITY SHARE, INCLUDING A SHARE PREMIUM OF RS. 35 PER EQUITY SHARE (THE "ISSUE PRICE"), AGGREGATING RS.1134.00 LAKHS ("THE ISSUE"), OF WHICH 1,32,000 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH FOR CASH AT A PRICE OF RS. 45 PER EQUITY SHARE, AGGREGATING RS. 59.40 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 23,88,000 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH FOR CASH AT A PRICE OF RS. 45 PER EQUITY SHARE, AGGREGATING RS. 1074.60 LAKHS IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.47% AND 25.08% RESPECTIVELY OF THE FULLY DILUTED POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.</p> | |
| <p>THE FACE VALUE OF THE EQUITY SHARES IS RS. 10 EACH AND THE ISSUE PRICE OF RS. 45 IS 4.5 TIMES OF THE FACE VALUE OF THE EQUITY SHARES.</p> | |
| <p>All potential investors may participate in the Issue through an Application Supported by Blocked Amount ("ASBA") process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to the chapter titled "Issue Procedure" beginning on page 241 of this 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. Qualified Institutional Buyers and Non-Institutional Investors shall compulsorily participate in the Issue through ASBA process. A copy will be delivered for registration to the Registrar as required under section 26 of the Companies Act, 2013.</p> | |
| <p>THE ISSUE IS BEING MADE IN ACCORDANCE WITH CHAPTER XB OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED FROM TIME TO TIME ("SEBI ICDR REGULATIONS"). For further details please refer the section titled 'Issue Information' beginning on page 232 of this Prospectus.</p> | |
| RISKS IN RELATION TO FIRST ISSUE | |
| <p>This being the first public issue of the Issuer, there has been no formal market for our Equity Shares. The face value of the Equity Shares of our Company is Rs.10 and the Issue price of Rs. 45 per Equity Share is 4.5 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 'Basis for Issue Price' beginning on page 95 of this Prospectus) should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.</p> | |
| GENERAL RISKS | |
| <p>Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this issue. For taking an investment decision, investors must rely on their own examination of the Company and this Issue, including the risks involved. The Equity Shares offered in the issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the investors is invited to the section titled 'Risk Factors' beginning on page 16 of this Prospectus.</p> | |
| ISSUER'S ABSOLUTE RESPONSIBILITY | |
| <p>The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to the Issuer and this Issue, which is material in the context of this Issue, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading, in any material respect.</p> | |
| LISTING | |
| <p>The Equity Shares of our Company offered through this Prospectus are proposed to be listed on the SME platform of BSE Limited ('BSE'). In terms of the Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, we are not required to obtain an in-principal listing approval for the shares being offered in this issue. However, our Company has received an approval letter dated August 4, 2015 from BSE for using its name in this offer document for listing of our shares on the SME Platform of BSE. For the purpose of this Issue, SME Platform of the BSE shall be the Designated Stock Exchange.</p> | |
| LEAD MANAGER TO THE ISSUE | REGISTRAR TO THE ISSUE |
|  <p>PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED 108, Madhava Premises Co-operative Society Limited Bandra Kurla Complex, Bandra East Mumbai - 400051 Tel: +91-22 2659 8687 Fax: +91-22 2659 8690 Website: www.pantomathgroup.com Investor Grievance Id: ipo@pantomathgroup.com Contact Person: Mr. Mahavir Lunawat SEBI Registration No: INM000012110</p> |  <p>BIGSHARE SERVICES PRIVATE LIMITED E/2, Ansa Industrial Estate, Saki Vihar Road Saki Naka, Andheri (East) Mumbai - 400072 Tel: +91-22 40430200 Fax: +91-22 28475207 Email: ipo@bigshareonline.com Website: www.bigshareonline.com Contact Person: Mr. Babu Raphael SEBI Registration Number: INR000001385</p> |
| ISSUE PROGRAMME | |
| ISSUE OPENS ON : THURSDAY, SEPTEMBER 10, 2015 | ISSUE CLOSSES ON : TUESDAY, SEPTEMBER 15, 2015 |

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The Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended (“U.S. Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. Persons” (as defined in Regulation S), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transaction in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sale 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 application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

SECTION I – GENERAL

DEFINITION AND ABBREVIATION

In this Prospectus, unless the context otherwise requires, the terms and abbreviations stated hereunder shall have the meanings as assigned therewith.

Company Related Terms

| Term | Description |
|---|--|
| Articles or Articles of Association or AOA | The Articles of Association of our Company, as amended from time to time |
| Auditor or Statutory Auditor | The auditor of our Company, being M/s. Suthar & Co., Chartered Accountants |
| Banker to our Company | Karnataka Bank Limited |
| “Board” or “Board of Directors” or “our Board” | The Board of Directors of our Company, as duly constituted from time to time, or committee(s) thereof |
| Company Secretary and Compliance Officer | Barun Pandey |
| Director(s) | The Director(s) of our Company, unless otherwise specified |
| Equity Shares | Equity Shares of our Company of face value of Rs. 10 each fully paid up |
| Equity Shareholders | Persons holding Equity Shares of our Company |
| Group Companies | Such entities as are included in the chapter titled ‘ <i>Our Group Entities</i> ’ beginning on page number 166 of this Prospectus |
| Memorandum of Association or Memorandum or MOA | The Memorandum of Association of our Company, as amended from time to time |
| Peer Reviewed Auditor | The Peer Reviewed Auditor of our Company, being R T Jain & Co., Chartered Accountants |
| “Promoters” or “our Promoters” | Promoters of our company being Kailash Dubal and Jignesh Dubal |
| Promoter Group | Includes such persons and entities constituting our promoter group in terms of Regulation 2(zb) of the SEBI (ICDR) Regulations and a list of which is provided in the chapter titled “ <i>Our Promoter and Promoter Group</i> ” beginning on page 162 of this Prospectus |
| Registered Office | The Registered office of our Company situated at No.1, 4th Main Road, Nehru Circle, Sheshadripuram Bangalore - 560020, Karnataka, India |
| RoC / Registrar of Companies | The Registrar of Companies, Karnataka located at “E” wing, 2nd Floor, Kendriya Sadana, Koramangala, Bangalore – 560034. |
| Shareholders | Shareholders of our Company |
| “Sri Krishna Constructions (India) Limited”, or “the Company” ,or “our Company” or “we”, “us”, “our”, or “Issuer” or the “Issuer Company” | Sri Krishna Constructions (India) Limited, a public limited company incorporated under the provisions of the Companies Act, 1956 |

Issue Related Terms

| Term | Description |
|--|--|
| Allocation/ Allocation of Equity Shares | The Allocation of Equity Shares of our Company pursuant to Issue of Equity Shares to the successful Applicants |
| Allotment/ Allot/ Allotted | Issue and allotment of Equity Shares of our Company pursuant to Issue of the Equity Shares to the successful Applicants |
| Allottee(s) | Successful Applicant(s) to whom Equity Shares of our Company have been allotted |
| Applicant | Any prospective investor who makes an application for Equity Shares of our Company in terms of this Prospectus |
| Application Amount | The amount at which the Applicant makes an application for Equity Shares of our Company in terms of this Prospectus |
| Application Form | The Form in terms of which the prospective investors shall apply for our Equity Shares in the Issue |
| ASBA/ Application Supported by Blocked Amount. | Applications Supported by Blocked Amount (ASBA) means an application for Subscribing to the Issue containing an authorization to block the application money in a bank account maintained with SCSB |
| ASBA Account | Account maintained with SCSBs which will be blocked by such SCSBs to the extent of the Application Amount |
| ASBA Application Location(s)/ Specified Cities | Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata, Ahmedabad, Bangalore, Hyderabad and Pune. |
| ASBA Investor/ASBA applicant | Any prospective investor(s)/applicants(s) in this Issue who apply(ies) through the ASBA process |
| Banker(s) to the Issue/ Escrow Collection Bank(s). | The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Escrow Account will be opened and in this case being ICICI Bank Limited . |
| Basis of Allotment | The basis on which Equity Shares will be Allotted to the successful Applicants under the Issue and which is described under chapter titled “Issue Procedure” beginning on page 241 of this Prospectus |
| Controlling Branch | Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Applicants with the Registrar to the Issue and the Stock Exchanges and a list of which is available at http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time |
| Demographic Details | The demographic details of the Applicants such as their address, PAN, occupation and bank account details |
| Depositories | Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time, being NSDL and CDSL |
| Depository Participant | A Depository Participant as defined under the Depositories Act, 1996 |
| Designated Branches | Such branches of the SCSBs which shall collect the ASBA Forms from the ASBA Applicants and a list of which is available at http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time |
| Designated Date | The date on which funds are transferred from the Escrow Account or the amount blocked by the SCSBs is transferred from the ASBA Account, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Issue is closed, following which the Equity Shares shall be allotted/transfer to the successful Applicants |

| Term | Description |
|---|---|
| Designated Stock Exchange | SME Platform of BSE Limited |
| Draft Prospectus | The Prospectus dated July 07, 2015 issued in accordance with section 26 of the Companies Act, 2013 and filed with the BSE under SEBI (ICDR) Regulations |
| Eligible NRIs | NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom this Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein |
| Escrow Account(s) | Account(s) opened with the Escrow Collection Bank(s) for the Issue and in whose favour the Applicants (excluding ASBA Applicants) will issue cheques or drafts in respect of the Application Amount when submitting any Application(s) pursuant to this Issue |
| Escrow Agreement | Agreement dated July 02, 2015 to be entered into by our Company, the Registrar to the Issue, the Lead Manager, and the Escrow Collection Bank(s) for collection of the Application Amounts and where applicable, refunds of the amounts collected to the Applicants (excluding ASBA Applicants) on the terms and conditions thereof |
| General Information Document | The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI. |
| First/ Sole Applicant | The Applicant whose name appears first in the Application Form or Revision Form |
| Issue/ Issue Size/ Initial Public Offer/ Initial Public Offering/ IPO | Public Issue of 25,20,000 Equity Shares of face value of Rs. 10/- each fully paid of Sri Krishna Constructions (India) Limited for cash at a price of 45/- per Equity Share (including a premium of Rs. 35 per Equity Share) aggregating Rs. 1134.00 lakhs. |
| Issue Agreement | The agreement dated July 02, 2015 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue. |
| Issue Closing date | The date on which Issue closes for subscription |
| Issue Opening Date | The date on which Issue opens for subscription |
| Issue Period | The period between the Issue Opening Date and the Issue Closing Date inclusive of both the days during which prospective Investors may submit their application |
| Issue Price | The price at which the Equity Shares are being issued by our Company under this Prospectus being 45/- per Equity Share of face value of Rs. 10 each fully paid |
| Issue Proceeds | Proceeds from the Issue that will be available to our Company, being Rs. 1134.00 Lakhs |
| Lead Manager/ LM | Lead Manager to the Issue in this case being Pantomath Capital Advisors Private Limited, SEBI registered Category I Merchant Banker |
| Listing Agreement | The Equity Listing Agreement to be signed between our Company and the SME Platform of BSE Limited |
| Market Making Agreement | Market Making Agreement dated July 02, 2015 between our Company, Lead Manager and Market Maker. |
| Market Maker | Market Maker appointed by our Company from time to time, in this case being BCB Brokerage Private Limited, who has agreed to receive or deliver the specified securities in the market making process for a period of three |

| Term | Description |
|--|---|
| | years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time |
| Market Maker Reservation Portion | The Reserved Portion of 1,32,000 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of 45/- per Equity Share aggregating Rs. 59.40 lakhs for the Market Maker in this Issue |
| Mutual Fund(s) | A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time |
| NIF | National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India |
| Net Issue | The Issue excluding the Market Maker Reservation Portion of 23,88,000 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of 45/- per Equity Share aggregating 1074.60 lakhs by our Company |
| Net Proceeds | The Issue Proceeds, less the Issue related expenses, received by the Company. |
| Non Institutional Investors | All Applicants that are not Qualified Institutional Buyers or Retail Individual Investors and who have applied for Equity Shares for an amount more than Rs. 2,00,000 |
| OCB/ Overseas Corporate Body | A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue |
| Payment through electronic transfer of funds | Payment through NECS, NEFT or Direct Credit, as applicable |
| Person/ Persons | Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires |
| Prospectus | The Prospectus to be filed with RoC containing, <i>inter-alia</i> , the issue size, the issue opening and closing dates and other information |
| Public Issue Account | Account opened with the Banker to the Issue i.e. ICICI Bank Limited under Section 40 of the Companies Act, 2013 to receive monies from the Escrow Account and the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date |
| Qualified Institutional Buyers or QIBs | QIBs, as defined under the SEBI ICDR Regulations, including public financial institutions as specified in Section 4A of the Companies Act, scheduled commercial banks, mutual fund registered with SEBI, FPI other than Category III FPI registered with SEBI, multilateral and bilateral development financial institution, venture capital fund registered with SEBI, foreign venture capital investor registered with SEBI, state industrial development corporation, insurance company registered with Insurance Regulatory and Development Authority, provident fund with minimum corpus of Rs. 2,500 lakhs, pension fund with minimum corpus of Rs. 2,500 lakhs, NIF, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the |

| Term | Description |
|---|---|
| | Department of Posts, India |
| Refund Account (s) | Account(s) to which Application monies to be refunded to the Applicants (excluding the ASBA Applicants) shall be transferred from the Public Issue Account |
| Refund Bank(s) / Refund Banker(s) | Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Accounts will be opened, in this case being ICICI Bank Limited |
| Refund through electronic transfer of funds | Refund through NECS, Direct Credit, RTGS, NEFT or the ASBA process, as applicable |
| Registrar /Registrar to the Issue | Registrar to the Issue, in this case being Bigshare Services Private Limited having registered office at E -2, Ansa Industrial Estate, Saki Vihar Road, Sakinaka, Andheri (East), Mumbai-400072 |
| Retail Individual Investor | Individual Applicants, or minors applying through their natural guardians, including HUFs (applying through their <i>Karta</i>), who apply for an amount less than or equal to Rs 2,00,000 |
| Revision Form | The form used by the Applicants to modify the quantity of Equity Shares in any of their Application Forms or any previous Revision Form(s) |
| SCSB/ Self Certified Syndicate Banker | Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries or at such other website as may be prescribed by SEBI from time to time |
| SME Platform of BSE | The SME Platform of BSE for listing of Equity Shares offered under Chapter XB of the SEBI (ICDR) Regulations which was approved by SEBI as an SME Exchange on September 27, 2011 |
| Underwriter | Pantomath Capital Advisors Private Limited |
| Underwriting Agreement | The agreement dated July 02, 2015 entered into between the Underwriter and our Company |
| Working Day | (i) Till Application / Issue closing date: All days other than a Saturday, Sunday or a public holiday; (ii) Post Application / Issue closing date and till the Listing of Equity Shares: All days other than a Sunday or a public holiday, and on which commercial banks in Karnataka and / or Mumbai are open for business in accordance with the SEBI circular no. CIR/CFD/DIL/3/2010 dated April 22, 2010 |

Technical and Industry Terms

| Term | Description |
|-------|---|
| BCG | Boston Consulting Group |
| DIPP | Department of Industrial Policy and Promotion |
| EMDEs | Emerging Market and Developing Economies |
| GDP | Gross Domestic Product |
| GST | Goods and Services Tax |
| IMF | International Monetary Fund |

| Term | Description |
|--------|---|
| InvITs | Infrastructure Investment Trusts |
| M&A | Mergers and Acquisitions |
| MoU | Memorandum of Understanding |
| NRI | Non-Resident Indian |
| OECD | Organisation for Economic Cooperation and Development |
| PR | Public Relation |
| REITs | Real Estate Investment Trusts |
| Sq. ft | Square foot |
| Treda | Telangana Real Estate Developers' Association |
| WEO | World Economic Outlook |

Conventional and General Terms/ Abbreviations

| Term | Description |
|---------------------|---|
| A/C | Account |
| AGM | Annual General Meeting |
| AIF | Alternative Investments Fund |
| AS | Accounting Standards as issued by the Institute of Chartered Accountants of India |
| A.Y. | Assessment Year |
| BSE | BSE Limited |
| CAGR | Compounded Annual Growth Rate |
| CDSL | Central Depository Services (India) Limited |
| CFO | Chief Financial Officer |
| CMD | Chairman and Managing Director |
| CIN | Corporate Identification Number |
| Companies Act | Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013. |
| Companies Act, 2013 | The Companies Act, 2013, to the extent in force pursuant to the notification of the notified sections |
| Depositories | NSDL and CDSL; Depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time |
| Depositories Act | The Depositories Act, 1996, as amended from time to time. |
| DIN | Director Identification Number |
| DP | Depository Participant |
| DP ID | Depository Participant's Identity |
| EBIDTA | Earnings before interest, depreciation, tax, amortization and extraordinary items |
| ECS | Electronic Clearing Services |
| EGM | Extraordinary General Meeting |
| ESIC | Employee State Insurance Corporation |
| ESOP | Employee Stock Ownership Plan |
| ESPS | Employee Stock Purchase Scheme |
| EPS | Earnings Per Share |
| FDI | Foreign Direct Investment |

| Term | Description |
|---|---|
| FCNR Account | Foreign Currency Non Resident Account |
| FEMA | Foreign Exchange Management Act 1999, as amended from time to time and the regulations framed there under |
| FII(s) | Foreign Institutional Investors |
| FIs | Financial Institutions |
| FIPB | The Foreign Investment Promotion Board, Ministry of Finance, Government of India |
| FPI(s) | Foreign Portfolio Investor |
| FVCI | Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000 |
| F.Y./FY | Financial Year |
| GAAP | Generally Accepted Accounting Principles |
| GDP | Gross Domestic Product |
| GIR Number | General Index Registry number |
| Gol/ Government | Government of India |
| HNI | High Networth Individual |
| HUF | Hindu Undivided Family |
| ICDR Regulations/ SEBI Regulations/ SEBI (ICDR) Regulations | SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time |
| Indian GAAP | Generally Accepted Accounting Principles in India |
| ICAI | Institute of Chartered Accountants of India |
| IFRS | International Financial Reporting Standards |
| IPO | Initial Public Offering |
| IT Rules | The Income Tax Rules, 1962, as amended from time to time |
| INR | Indian National Rupee |
| Key Managerial Personnel / KMP | The officers declared as a Key Managerial Personnel and as mentioned in the chapter titled “Our Management” beginning on page 145 of this Prospectus |
| LPH | liter per hour |
| Ltd. | Limited |
| MD | Managing Director |
| Mtr | Meter |
| N/A or N.A. | Not Applicable |
| NAV | Net Asset Value |
| NECS | National Electronic Clearing Services |
| NEFT | National Electronic Fund Transfer |
| Net Worth | The aggregate of the paid up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account |
| NOC | No Objection Certificate |
| NR | Non Resident |
| NRE Account | Non Resident External Account |
| NRI | Non Resident Indian, is a person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as |

| Term | Description |
|---|---|
| | ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time |
| NRO Account | Non Resident Ordinary Account |
| NSDL | National Securities Depository Limited |
| Ongoing | Ongoing means where approval have been received and development & marketing have started. |
| p.a. | per annum |
| PAN | Permanent Account Number |
| PAT | Profit After Tax |
| Pvt. | Private |
| PBT | Profit Before Tax |
| P/E Ratio | Price Earnings Ratio |
| QIB | Qualified Institutional Buyer |
| RBI | Reserve Bank of India |
| RBI Act | The Reserve Bank of India Act, 1934, as amended from time to time |
| RoNW | Return on Net Worth |
| Rs. / INR | Indian Rupees |
| RTGS | Real Time Gross Settlement |
| SCRA | Securities Contracts (Regulation) Act, 1956 |
| SCRR | Securities Contracts (Regulation) Rules, 1957 |
| SCSB | Self Certified Syndicate Bank |
| SEBI | Securities and Exchange Board of India |
| SEBI Act | Securities and Exchange Board of India Act, 1992, as amended from time to time |
| SEBI Insider Trading Regulations | The 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 Takeover Regulations /Takeover Regulations / Takeover Code | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 |
| SICA | Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time |
| SME | Small Medium Enterprise |
| SSI Undertaking | Small Scale Industrial Undertaking |
| Stock Exchange (s) | SME Platform of BSE Limited |
| Sq. | Square |
| Sq. mtr | Square Meter |
| TAN | Tax Deduction Account Number |
| TRS | Transaction Registration Slip |
| TIN | Taxpayers Identification Number |
| TNW | Total Net Worth |
| Upcoming | Plan approval is pending but development right has been signed |
| u/s | Under Section |
| UIN | Unique Identification Number |
| US/ U.S. / USA/United States | United States of America |
| USD or US\$ | United States Dollar |

| Term | Description |
|-----------|--|
| U.S. GAAP | Generally accepted accounting principles in the United States of America |
| UOI | Union of India |
| WDV | Written Down Value |
| WTD | Whole-time Director |
| w.e.f. | With effect from |
| YoY | Year over year |

Notwithstanding the following: -

- i. In the section titled “*Main Provisions of the Articles of Association*” beginning on page 294 of this Prospectus, defined terms shall have the meaning given to such terms in that section;
- ii. In the section titled “*Financial Statements*” beginning on page 171 of this Prospectus, defined terms shall have the meaning given to such terms in that section;
- iii. In the section titled “*Risk Factor*” beginning on page 16 of this Prospectus, defined terms shall have the meaning given to such terms in that section;
- iv. In the chapter titled “*Statement of Possible Tax Benefits*” beginning on page 98 of this Prospectus, defined terms shall have the meaning given to such terms in that chapter; and
- v. In the chapter titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 195 of this Prospectus, defined terms shall have the meaning given to such terms in that section.



PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

All references to “India” are to the Republic of India and all references to the “Government” are to the Government of India.

FINANCIAL DATA

Unless stated otherwise, the financial data included in this Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Statutory Auditors, set out in the section titled ‘*Financial Statements*’ beginning on page 171 this Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI (ICDR) Regulations.

Our fiscal year commences on April 1st of each year and ends on March 31st of the next year. All references to a particular fiscal year are to the 12 month period ended March 31st of that year. In this Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points.

There are significant differences between Indian GAAP, IFRS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company’s financial data. Accordingly to what extent, the financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices / Indian GAAP. Any reliance by persons not familiar with Indian Accounting Practices on the financial disclosures presented in this Prospectus should accordingly be limited.

Any percentage amounts, as set forth in “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and elsewhere in this Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditor, set out in the section titled ‘*Financial Statements*’ beginning on page 171 of this Prospectus.

CURRENCY OF PRESENTATION

In this Prospectus, references to “Rupees” or “Rs.” or “INR” are to Indian Rupees, the official currency of the Republic of India. All references to “\$”, “US\$”, “USD”, “U.S. \$” or “U.S. Dollars” are to United States Dollars, the official currency of the United States of America.

All references to ‘million’ / ‘Million’ / ‘Mn’ refer to one million, which is equivalent to ‘ten lacs’ or ‘ten lakhs’, the word ‘Lacs / Lakhs / Lac’ means ‘one hundred thousand’ and ‘Crore’ means ‘ten million’ and ‘billion / bn./ Billions’ means ‘one hundred crores’.

INDUSTRY & MARKET DATA

Unless otherwise stated, Industry & Market data used throughout this Prospectus have been obtained from internal Company reports and Industry publications inter alia Planning Commission of India, Economic Survey, Industry Chambers and Associations etc. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe that industry data used in this Prospectus is reliable, it has not been independently verified. Similarly, internal Company reports, while believed by us to be reliable, have not been verified by any independent sources.

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

FORWARD LOOKING STATEMENT

This Prospectus contains certain “forward-looking statements”. These forward looking statements can generally be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “shall”, “will”, “will continue”, “will pursue” or other words or phrases of similar meaning. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results and property valuations 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 the following:-

- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Increased competition in the Industry which we operate;
- Factors affecting in the Industry which we operate;
- Our ability to meet our capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The performance of the financial markets in India and globally;
- Any adverse outcome in the legal proceedings in which we are involved;
- Our failure to keep pace with rapid changes in technology;
- The occurrence of natural disasters or calamities;
- Other factors beyond our control;
- Our ability to manage risks that arise from these factors;
- Conflict of Interest with affiliated companies, the promoter group and other related parties; and
- Changes in government policies and regulatory actions that apply to or affect our business.

For a further discussion of factors that could cause our actual results to differ, refer to section titled “Risk Factors” and chapter titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 16 and 195 respectively of this Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

Future looking statements speak only as of the date of this Prospectus. Neither we, our Directors, Lead Manager, Underwriters nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, the LM and our Company will ensure that investors in India are informed of material developments until the grant of listing and trading permission by the Stock Exchange.

SECTION II – RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of this offer including the merits and risks involved. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment in which some material respects may be different from that which prevails in other countries. The risks and uncertainties described in this section are not the only risks and uncertainties we currently face. Additional risks and uncertainties not known to us or that we currently deem immaterial may also have an adverse effect on our business. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. Additionally, our business operations could also be affected by additional factors that are not presently known to us or that we currently consider as immaterial to our operations.

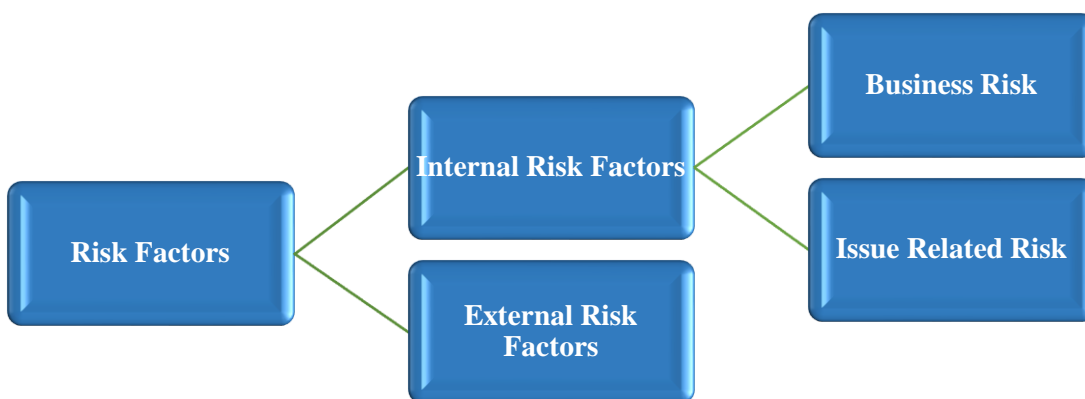
Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. To obtain a complete understanding, you should read this section in conjunction with the chapters titled “Our Business” beginning on page 122, “Our Industry” beginning on page 108 and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 195 respectively, of this Prospectus as well as other financial information contained herein.

The following factors have been considered for determining the materiality of Risk Factors:

- 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 have material impact in future.*

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence the same has not been disclosed in such risk factors. Unless otherwise stated, the financial information of the Company used in this section is derived from our financial statements under Indian GAAP, as restated in this Prospectus. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. For capitalized terms used but not defined in this chapter, refer to the chapter titled “Definitions and Abbreviations” beginning on page 3 of this Prospectus. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

The risk factors are classified as under for the sake of better clarity and increased understanding:



INTERNAL RISK FACTORS

1. Some of our Directors and Promoters are involved in certain legal proceedings, which, if determined adversely, may adversely affect our business and financial condition.

A criminal case with Criminal Miscellaneous No. 4323 of 2014 is pending against Kailash Dubal, a director and one of the promoters of our Company, for offences punishable under Sections 323, 353, 504 and Section 506 read with Section 34 of the Indian Penal Code before the Hon'able Additional City Civil and Sessions Judge, Bangalore City. It has been alleged that Kailash Dubal and others were involved in a confrontation with a traffic police officer (the Complainant) over Kailash Dubal's car being parked at a no parking zone. It has been alleged that Kailash Dubal and others, threatened and manhandled the Complainant. Kailash Dubal argued that the car parking space in front of his office had been reserved for parking for the owner's car was owned by Kailash Dubal. The Complainant had asked Kailash Dubal to remove the car to which Kailash Dubal informed the Complainant that the car was parked on the private property of Kailash Dubal. Kailash Dubal, argues that it was then, the Complainant in order to tarnish the image of Kailash Dubal created a big scene and called the media. Kailash Dubal had applied for anticipatory bail under Section 438 of the Criminal Procedure Code, 1973. The Court ordered the release of Kailash Dubal on a personal bond of Rs.50,000/- (Rupees Fifty Thousand Only) and subject to the following conditions:

- Kailash Dubal shall not tamper or terrorise the prosecution witness in any manner;
- Kailash Dubal shall co-operate with the respondent/police for the purpose of the further investigation in the case;
- Kailash Dubal shall appear before the committal court or trial court as and when directed to do so;
- Kailash Dubal shall not leave the jurisdiction of Bangalore city till further order; and
- Kailash Dubal shall produce their recent residential address proofs issued by a competent authority.

The case is still pending before the Hon'able Additional City Civil and Sessions Judge, Bangalore City.

At present, it is not possible for us to ascertain the exact amount of penalty, if any, that may be levied against Kailash Dubal. A summary of ongoing case is below:

| Name of Entity | Income Tax Notice | | Criminal Cases | |
|-------------------------------|-------------------|-----------------|----------------|-----------------|
| | No. of Notices | Amount Involved | No. of Cases | Amount Involved |
| Against the Company | 0 | NA | 0 | NA |
| Against the Director/Promoter | 0 | NA | 1 | NA |

| Name of Entity | Income Tax Notice | | Criminal Cases | |
|-------------------------|-------------------|-----------------|----------------|-----------------|
| | No. of Notices | Amount Involved | No. of Cases | Amount Involved |
| Against Group Companies | 0 | NA | 0 | NA |

In addition, our Company is subject to risks of litigation including public interest litigation, contract, employment related, personal injury and property damage. Our Company cannot provide any assurance that these legal proceedings will be decided in our favour. Any adverse decision may have a significant effect on our business including the financial condition of our Company, delay in implementation of our current or future project and results of operations. There can be no assurance that the results of such legal proceedings will not materially harm our business, reputation or standing in the marketplace or that our Company will be able to recover any losses incurred from third parties, regardless of whether our Company is at fault or not. There can be no assurance that losses relating to litigation or arbitration will be covered by insurance, that any such losses would not have a material adverse effect on the results of our operations or financial condition, or that provisions made for litigation and arbitration related losses would be sufficient to cover our ultimate loss or expenditure. Details of outstanding proceedings that have been initiated against our Company, our Promoters, our Group Companies and our Directors are set forth in the section titled “*Outstanding Litigation and Material Developments*” starting from page number 211 of this Prospectus.

2. *We have not applied for regulatory consents or approvals for our upcoming projects and our plans are subject to a number of uncertainties.*

As on June 15, 2015, we have plans to develop 3 upcoming projects, for which we have not applied for any regulatory consents or approvals. Although, we have procured land/ Land Development Rights and completed our management plans in relation to development for all of our upcoming projects, we have not formulated our financing plans for these projects, other than with respect to purchase of land. These upcoming projects are subject to significant changes and modifications from our current management estimates as a result of factors beyond our control, including, among others, regulatory consents and approvals and the availability of financing. Such changes and modifications may have a significant impact on our upcoming projects, and, consequently, may have an adverse effect on our business, results of operations and financial condition. Though, we currently intend to develop these upcoming projects, we may or may not develop these projects as planned or at all. In addition, there can be no assurance that if pursued, these projects will be implemented in a timely and cost-effective manner and will improve our results of operations and profitability.

3. *We have entered into MoU or Agreement for sale for land acquisition to use majority of the proceeds of the Issue.*

As described in the section entitled “*Objects of the Issue*” on page 89, of this Prospectus we intend to use the proceeds from the Issue for the acquisition of land. We have entered into MoU or Agreement to Sale for such acquisitions however, we may not be able to conclude or there could be delay in execution of Agreement to Sale due to non fulfilment of conditions precedent, change in any laws or any other reasons which may be beyond our control. As a result, we may have to terminate the MoU or Agreement to Sale and which could also lead to litigations. In failure to identify new Land in a timely manner could result in lost or reduced profits. In such scenarios our Board of Directors may utilise the earmarked funds towards financing the construction expenses of

our ongoing or planned projects. In such a case our planned use of the proceeds of the Issue may change. Further we will be required to take regulatory consent or approval for our planned project.

4. ***We generate our entire sales from our operations in certain geographical regions of Bangalore, Karnataka and any adverse developments affecting our operations in these regions could have an adverse impact on our revenue and results of operations.***

Our revenues are concentrated in the state of Karnataka. Such geographical concentration of our real estate business in these regions heightens our exposure to adverse developments related to competition, as well as economic and demographic changes in these regions which may adversely affect our business prospects, financial conditions and results of operations. We may not be able to leverage our experience in the Karnataka region to expand our operations in other parts of India, should we decide to further expand our operations.

Factors such as competition, culture, regulatory regimes, business practices and customs, customer tastes, behaviour and preferences in these cities where we may plan to expand our operations may differ from those in Karnataka, and our experience in the Karnataka may not be replicated to these cities. In addition, as we enter new markets and geographical areas, we are likely to compete not only with national developers, but also local developers who have an established local presence, are more familiar with local regulations, business practices and customs, have stronger relationships with local contractors, suppliers, relevant government authorities, and who have access to existing land reserves or are in a stronger financial position than us, all of which may give them a competitive advantage over us. Our inability to expand into areas outside the Karnataka real estate market may adversely affect our business prospects, financial conditions and results of operations.

5. ***Our Company enters into Joint Development Agreement for land developments rights with the owners of the land, which entails certain risks like specific performance of the terms of the agreement, litigations etc. Further, any disruption in the execution of the said agreements due to any reason whatsoever may have an adverse effect on our commercial operations and profitability.***

Our Company enters and may enter in the future into Joint Development Agreement for land developments rights with the owners of the land. Such agreements carry risks like specific performance of the terms and covenants of such agreement, project schedules and timelines to be met with, maintaining cordial relationship with the land owners, litigations/disputes etc. Our Company may also be required to make partial payments to the land owner for land development rights which our Company may be unable to recover under certain unforeseen circumstances. Our Company's inability to acquire land development rights, or if our Company fails to recover the partial payment made by it with respect to such land developments rights, may adversely affect our business, financial condition and results of operation.

We enter into Joint Development Agreements with third parties to acquire construction and/or land development rights. Such agreements contain conditions and requirements, the non-fulfilment of which could result in delays or inability to implement and complete our projects as contemplated.

Our certain projects are under joint development agreements with third parties. In most of these projects the land is owned by these third parties and we, by virtue of the development agreements, acquire construction and/or land development rights. The agreements confer rights on us to construct and develop the built-up area. Such projects involve working together with several third parties and our relationships are governed by such joint development agreements. Though we are generally empowered to make all operating decisions for development of these projects, we may be required to make certain decisions in consultation with such parties. These arrangements may limit our flexibility to make certain decisions in relation to such projects. Under these joint development

agreements, we are and going forward may be required to pay a security deposit to the owners of the land, for the development rights, which are expected to be refunded upon the completion of the development of the property. In the event of any delay in the completion of the property within the time frame specified, we may be required to indemnify and compensate such parties with whom we have joint development agreements. Any disputes that may arise between us and our joint development agreement parties may cause delay in completion, suspension or complete abandonment of the project we undertake. This may have a material adverse effect on our business, financial condition and reputation.

6. *We may not be able to identify and acquire suitable sites at reasonable cost which may adversely affect our business and prospects.*

Our future performance is dependent on our ability to identify and acquire suitable sites at reasonable prices. Our ability to identify and acquire suitable sites is dependent on a number of factors that are beyond our control. These factors include the availability of suitable land, the willingness of landowners to sell land and/or assign development rights on terms attractive to us, the ability to obtain an agreement to sell from a number of land owners where such land has multiple owners, the availability and cost of financing, encumbrances on targeted land, government directives on land use and the obtaining of permits and approvals for land acquisition and development. The failure to acquire or obtain development rights over targeted or purchased land may cause us to modify, delay or abandon projects, which could adversely affect our business.

In addition, land acquisition in India has historically been subject to various regulatory restrictions and approvals. For further details, see “Key Industry Regulations and Policies” on page 131 of this Prospectus. These restrictions are gradually being relaxed and, combined with the aggressive growth strategies and financing plans of real estate development companies as well as real estate investment funds in India, this may make availability of suitable land increasingly expensive. If we are unable to compete effectively for the acquisition of suitable land, our business and prospects will be adversely affected.

7. *We face significant risk with regard to the length of time needed to complete each project and there could be unscheduled delays and cost overruns in relation to our ongoing, forthcoming and upcoming Projects.*

It may take several years following the acquisition of land before income or positive cash flows can be generated through the sale of a real estate project. There could be unscheduled delays and cost overruns in relation to our ongoing, forthcoming and upcoming Projects. The time it takes to complete a project generally ranges from 12 to 24 months. During this time, there can be changes to the national, state and local business climate and regulatory environment, local real estate market conditions, perceptions of prospective customers with respect to the convenience and attractiveness of the project and changes with respect to competition from other property developments. Changes to the business environment during such time may affect the costs and revenues associated with the project and may ultimately affect the profitability of a project. If such changes occur during the time it takes to complete a certain project, our return on such project may be lower than expected which could adversely affect our prospects, results of operations and financial condition.

Additionally, there could be unscheduled delays and cost overruns in relation to ongoing, forthcoming and upcoming projects and we cannot assure you that we will be able to complete these projects within the expected budgets and time schedules or at all.

8. *Our projects require the services of third parties, which entails certain risks.*

Our projects require the services of third parties including architects, engineers, contractors and suppliers of labour and materials. The development and construction work for our projects is performed by third party contractors/ subcontractors. The timing and quality of construction of the projects we develop depends on the availability and skill of such third parties, as well as contingencies affecting them, including labour and raw material shortages. We may not be able to identify appropriately experienced third parties and cannot assure you that skilled third parties will continue to be available at reasonable rates and in the areas in which we undertake our present and future projects. As a result, we may be required to make additional investments or provide additional services to ensure adequate performance and delivery of contracted services. Any consequent delay in project execution could adversely affect our profitability and reputation. If such contractors are unable to perform their contracts, including completing our developments within the specifications, quality standards, time frames specified by us, at the estimated cost, or at all, our business, reputation and results of operations could be adversely affected. Further, we cannot assure you that the services rendered by any of these contractors will be satisfactory or match our requirements for quality. Further, delays and cost overruns may occur for reasons not involving the fault of our contractors and for which they therefore do not bear any responsibility to us. As we would incur the cost of delays or overruns, this could adversely affect our results of operations and financial condition. Due to rise in construction activity currently, our contractors and other construction companies have a significant number of projects to complete and a substantial backlog. If the services of these or other contractors are not available on terms acceptable to us or at all, our business and results of operations could be adversely affected. Additionally, our operations may be adversely affected by circumstances beyond our control such as work stoppages, labour disputes and a shortage of qualified skilled labour or a lack of availability of adequate infrastructure.

9. *Title insurance is not commercially available in India and we face uncertainty of title to our lands.*

Title insurance is not commercially available in India to guarantee title or development rights in respect of land. The absence of title insurance in India means that title records are provided only for presumptive rather than guaranteed title. The original title to lands may often be fragmented and the land may have multiple owners. Some of these lands may have irregularities of title, such as non-execution or non-registration of conveyance deeds and inadequate stamping, and may be subject to encumbrances of which we may not be aware. In these projects, the title to the land may be owned by one or more of such third parties, and as such, in such instances, we cannot assure you that the persons with whom we enter into joint ventures or joint-development or collaboration agreements have clear title to such lands. Prior to acquisition of, or entering into joint venture agreements with respect to any land, we conduct due diligence and assessment exercises on the land. Through an internal assessment process, we analyze information about the land that is available to us. However, there can be no assurance that such information is accurate, complete or current. Our rights in respect of these lands may be compromised by improperly unregistered encumbrances in favour of third parties, rights of adverse possessors, ownership claims of family members of prior owners, or other defects that we may not be aware of. Our title to land may be defective as a result of a failure on our part, or on the part of a prior transferee, to obtain the consent of all required persons under law. As a result, most of these lands do not have guaranteed title. The uncertainty of title to land makes the acquisition and development process more complicated, may impede the transfer of title, expose us to legal disputes and adversely affect our land valuations. Legal disputes in respect of land title can take several years and considerable expense to resolve if they become the subject of court proceedings and their outcome can be uncertain. If we or the owners of the land, with whom we enter into a joint venture agreement are unable to resolve such disputes with these claimants, we may lose our interest in the land. The



failure to obtain good title to a particular plot of land may materially prejudice the success of a development for which that plot is a critical part and may require us to write off expenditures in respect of the development. In addition, lands for which we or entities which have granted us development rights, have entered into agreements to acquire but have not yet acquired and the failure to obtain good title to these lands could adversely impact our property valuations and prospects.

For the reasons mentioned above, sometimes it is difficult for legal counsels to satisfy the various technical requirements to issue a valid title opinion. As a consequence, we may not have title opinions in respect of all of our land. Further, in respect of the lands for which we have obtained title opinions from the local counsels, we may not be able to assess or identify all the risks and liabilities associated with the land, such as faulty or disputed title, unregistered encumbrances or adverse possession rights. Prospective investors should note that neither legal counsel to the Issuer nor Lead Manager to the Issuer and other intermediaries are providing opinions in respect of title to our land. Currently, to the best of our knowledge, none of the lands registered in our name have any irregularity in title. However, there can be no assurance that such irregularities may not arise in the future.

10. Some of the agreements with vendors require us to pay interest in case of delay of payment.

Our agreements with vendors like Land Owners, for the purchase of land require us to comply with the terms and conditions of the agreement like payment of the consideration within certain time. These agreements include penalty clauses where we are liable to pay interest to the vendors for delay in payment. Further, if we are unable to make the payment within the stipulated time (including the grace period, if any) the vendor is entitled to rescind and terminate the agreement and the amount any paid as advance consideration shall stand forfeited and in which event, we shall not have any rights to lodge any claims either with respect to the refund of advance purchase consideration or any of the rights by virtue of the agreement.

11. We have not registered our logo and our brands.

We operate in an extremely competitive environment, where brand recognition and brand awareness is significant element of our business strategy. Currently, our logo is not registered with any certifying authority and therefore we do not enjoy the statutory protection accorded to a registered trademark and are subject to the various risks arising out of the same, including but not limited to infringement or passing off our name and logo by a third party. As our logo is not registered, we would not enjoy the statutory protections accorded to a registered trademark and our ability to use our logo may be impaired. For further details please refer to section titled “Government and Other Statutory Approvals” beginning on page 217 of this Prospectus

| Sr. No | Word Mark/ Logo |
|--------|---|
| 1 | The logo for SKC, featuring the letters "SKC" in a bold, blue, sans-serif font. To the left of the letters is a circular emblem composed of numerous small orange dots arranged in a pattern that suggests a globe or a cluster of particles. |

12. Our Company has not complied with certain statutory provisions under Companies Act 1956, and has also delayed in filing of certain forms under the said Acts. Such non-compliances/lapses may attract penalties.

Our Company have failed/delayed in complying with statutory requirements such as obtaining approvals under section 314 of the Companies Act, 1956, registration of resolutions, filing of form, filing of annual returns etc., as required under the Companies Act to the RoC. Such delay/non-compliance including the following may in the future render us liable to statutory penalties:

- a. We have in the past, not complied with the provisions of Section 314 of the Companies Act, 1956 with respect to appointment of relatives of directors to an “office or place of profit.” The said appointment of relative as Commission Agent has to be done with approval of Central Government. If any office or place of profit is held in contravention of the provisions of Section 314, the relatives of the directors shall be inter alia, deemed to have vacated his office as such, on and from the date next following the date of the general meeting of the Company and shall be liable to refund any remuneration received from the Company.

We have not been furnished with any notices by the RoC/any other statutory authority with respect to this non-compliance. However, we cannot guarantee that we will not be subject to any penalties for the said violations in future.

We have appointed a whole time Company Secretary with effect from June 23, 2015 who shall look after the legal compliances of the Company and shall ensure the timely compliances in future.

13. Our inventory levels are not subjected to audit tests by our outside auditors.

Our inventories comprise property under construction (work-in-progress) and properties constructed that remain unsold. Work-in-progress comprises cost of land, development rights and transferable development rights, cost of construction/development, cost of materials and services and other expenses related to projects under construction and completed units that remain unsold. Inventories are reflected in our balance sheets as “stock in trade”. Stock in trade represents generally the largest asset item on our balance sheet. The inventory levels set forth in our audited and restated financial statements and the notes and schedules thereto are based on certifications as to the state of completion of projects by Company Management. Auditors rely on these certifications as to the state of completion of projects, the amounts of raw materials on our construction sites or other inventory amounts. The Company believes it maintains effective internal control processes for determining the state of completion of projects and checking raw materials inventories and other inventory amounts.

14. Certain information contained in this Prospectus is based on management estimates and we cannot assure you of the completeness or accuracy of the data.

Certain information contained in this Prospectus like data on land available for development, estimated commencement and completion dates, our funding requirements and our proposed use of issue proceeds is based solely on management estimates and has not been appraised by any bank or financial institution. The estimated project dates as well as costs may change depending on the circumstances like changes in laws and regulations, competition, irregularities or claims with respect to title of land, the ability of third parties to complete their services, delays, cost overruns or modifications to our on going and planned projects. Such circumstances can have an impact on our financials condition and results of operation.

15. *The government may exercise rights of compulsory purchase or eminent domain over our lands.*

The Right to Fair Compensation and Transparency in Rehabilitation and Resettlement Act 2013 allows the central and state governments to exercise rights of compulsory purchase, which if used in respect of our land, could require us to relinquish land with minimal compensation and no right of appeal. The likelihood of such actions may increase as the central and state governments seek to acquire land for the development of infrastructure projects such as roads, airports and railways. Any such action in respect of one or more of our ongoing, forthcoming or upcoming projects could adversely affect our business.

16. *There could be delays in the implementation of some of our projects for which we are liable to pay interest under certain of our sale agreements.*

There could be delays in the commencement, scheduled implementation and estimated completion of certain of our projects. These delays could be due to delays in obtaining approvals and/or delays in execution or other factors. Under the sale agreements which we may enter into with our customers, where the customer exercises a right to cancel the sale on account of delays in the completion and hand over of the project, we are liable to refund amounts paid to date with interest. This could result in additional liabilities and may adversely affect our financial condition and results of operations.

17. *The launch of new projects that prove to be unsuccessful could impact our growth plans and may adversely impact earnings.*

As part of our strategy, we introduce new project for developments in the Bangalore market. Each of the new project initiatives carries significant risks, as well as the possibility of unexpected consequences, including

(1) acceptance by and sales of the new project initiatives to our customers may not be as high as we anticipate; (2) our marketing strategies for the new projects may be less effective than planned and may fail to effectively reach the targeted consumer base or generate the desired outcome; (3) we may incur costs exceeding our expectations as a result of the continued development and launch of the new projects; (4) we may experience a decrease in sales of certain of our projects as a result of our competitors developing projects in areas adjoining our project properties; and (5) any delays or other difficulties impacting our ability, or the ability of our third party contractors and developers, to develop and construct projects in a timely manner in connection with launching the new project initiatives.

Each of the risks referred to above could delay or impede our ability to achieve our growth objectives or we may not be successful in achieving our growth objectives at all through these means, which could have an adverse effect on our business, results of operations and financial condition.

18. *Our business is heavily dependent on the availability of real estate financing in India. Difficult conditions in the global financial markets and the economy may cause us to experience limited availability of funds.*

Our operations typically require large amounts of financing to fund the capital expenditure relating to our projects. Changes in the global and Indian credit and financial markets have diminished the availability of credit and led to an increase in the cost of financing. In many cases, the markets have exerted downward pressure on the availability of liquidity and credit capacity. We may need liquidity for future growth and development of our business and may have difficulty accessing the financial markets, which could make it more difficult or expensive to obtain financing in the future.

Without sufficient liquidity, we may not be able to purchase additional land or develop additional projects, which would adversely affect our results of operations.

19. Increased raw material, labour and other costs, may adversely affect our results of operation and feasibility of our development plan.

As our Company is significantly into development of residential layout plots and also pursuant to diversification into construction activity, our business would be affected by the availability cost and quality of raw materials and labour. The prices and supply of raw materials and labour depend on factors not under our control, including general economic conditions, competition, production levels, transportation costs etc. Additionally, inflation would play a critical role in the cost of construction, and could directly impact the profitability of the development and the peak funding requirements. We cannot assure you that we will be able to procure quality raw materials at competitive prices or at all which may adversely affect our business. In addition, during periods of significant increases in the price of building materials, we may not be able to pass price increases to our customers, which could reduce or eliminate our profits with respect to such development.

20. It is difficult to predict our future performance, or compare our historical performance between periods, as our revenue fluctuates significantly from period to period.

Under the percentage of completion method of revenue recognition, our revenue from sales depends upon the volume of bookings that we are able to obtain in relation to our projects as well as the rate of progress of construction. Our bookings depend on our ability to market and pre-sell our projects and the willingness of our customers to pay for developments or enter into sale agreements well in advance of receiving possession of land/properties, which can be affected by prevailing market sentiment. Construction progress depends on various factors, including the availability of labour and raw materials, the timely receipt of regulatory clearances and the absence of contingencies such as litigation and adverse weather conditions. The occurrence of any such contingencies could cause our revenues to fluctuate significantly, which could in turn adversely affect our margins. In addition, we cannot predict with certainty the rate of progress of construction or time of the completion of our real estate developments due to lags in development timetables occasionally caused by unforeseen circumstances.

Our results of operations may also fluctuate from period to period due to a combination of other factors beyond our control, including the timing during each year of the sale of properties that we have developed, and any volatility in expenses such as land and development & construction costs. Depending on our operating results in one or more periods, we may experience cash flow problems, thereby resulting in our business, financial condition and results of operations being adversely affected. Such fluctuations may also adversely affect our ability to fund future projects.

As a result of one or more of these factors, we may record significant turnover or profits during one accounting period and significantly lower turnover or profits during prior or subsequent accounting periods. Therefore, we believe that period-to-period comparisons of our results of operations are not necessarily meaningful and should not be relied upon as indicative of our future performance.

21. We face labour risks, including potential increases in labour costs.

We operate in a labour-intensive industry and we or our contractors hire casual labour to work on our projects. In the event of a labour dispute, if our contractors are unable to successfully negotiate with the workmen or sub-contractors, it could result in work stoppages or increased operating costs as a result of higher than anticipated wages or benefits. It may also be difficult to procure the required skilled workers for existing or future projects. Either of these factors could adversely affect our business, financial condition, results of operations and cash flows. In addition, we may be liable



for or exposed to sanctions, penalties or losses arising from accidents or damages caused by our workers or contractors.

22. Corrupt practices or improper conduct may delay the development of a project and affect our results and operations.

The real estate development and construction industries are not immune to the risks of corrupt practices. Construction projects in all parts of the world provide opportunities for corruption. Such corruption may include bribery, deliberate poor workmanship or the deliberate supply of low quality materials. If we, or any other person involved in any of the projects is the victim of or involved in any such corruption, our ability to complete the relevant projects as planned may be disrupted thereby affecting our business, financial condition and results of operations.

23. Conflicts of interest may arise out of common business undertaken by our Company and our Group Entities.

Our Group Entities are authorized to carry out business similar to that of our Company. As a result, conflicts of interests may arise in allocating business opportunities amongst our Company and our Group Entities in circumstances where our respective interests diverge. In cases of conflict, our Promoters may favour other entities in which our Promoters have interests. 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 or that their interests will not conflict with ours. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial conditions. For further details of business activities of our Group Entities, please refer to the chapter titled “Our Group Entities” beginning on page 166 of this Prospectus.

24. We have not applied for certain statutory and regulatory approvals, registrations and licenses. Further, our inability to renew or maintain our statutory and regulatory permits and approvals required to operate our business would adversely affect our operations and profitability.

Our Company requires several statutory and regulatory permits, licenses and approvals to operate the business. Many of these approvals are granted for fixed periods of time and need renewal from time to time. 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 prove compliance with such conditions to statutory authorities, and this may lead to cancellation, revocation or suspension of relevant permits/ licenses/ approvals.

Our Company may not have obtained certain statutory and regulatory approvals, registrations and licenses such as including contract labour related registrations. This could be due to our applications in process or due to lack in clarity to our Company on applicability of such registrations. However, such non-compliance may result in proceedings against our Company and the Directors and such actions may directly and immediately affect our operations. For details please refer to chapter titled “Government and Other Statutory Approvals” beginning on page 217 of this Prospectus.

25. Our Company has unsecured loans which are repayable on demand. Any demand from lenders for repayment of such unsecured loans, may adversely affect our cash flows.

As on March 31, 2015, Our Company has unsecured loans amounting to Rs. 202.09 lakhs from Promoters and Members of Promoter Group and certain other entities which are repayable on demand. Such loans are not repayable in accordance with any agreed repayment schedule and may

be recalled by the relevant lenders at any time. Any such unexpected demand or accelerated repayment may have a material adverse effect on our business, cash flows and financial conditions.

For further details of unsecured loans of our Company, please refer “Statement of Unsecured Loans” of chapter titled —*Financial Statements as Restated* beginning on page 171 of this Prospectus.

26. Our Company has negative cash flow in the past 5 years details of which are given below; Sustained negative cash flow could impact our growth and business.

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends and make new investments without raising finance from external resources. Our Company has negative cash flows from Operating, investing and financing activities in the past.

(Rs in Lakhs)

| Particulars | March 31, 2015 | March 31, 2014 | March 31, 2013 | March 31, 2012 | March 31, 2011 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| Cash Flow from / (used in) Operating Activities | (147.03) | 202.56 | (387.03) | 122.94 | 19.81 |
| Cash Flow used in Investing Activities | (234.16) | (19.52) | (11.94) | - | 0.89 |
| Cash Flow from / (used in) Financing Activities | 364.69 | (36.80) | 401.96 | (121.27) | (4.01) |

If we are not able to generate sufficient cash flows in future, it may adversely affect our business and financial operations.

27. Any penalty or action taken by any regulatory authorities in future for non-compliance with provisions of corporate and other law could impact the financial position of the Company to that extent

Our Company may have not complied with certain accounting standards and Section 4A of The Payment of Gratuity Act, 1972, in the past. Although no show cause notice in respect of the same has been received by the Company till date. Any penalty imposed for such non-compliance could affect our financial conditions to that extent. In relation to gratuity we have not received any notice/communication from the relevant authority, for the previous defaults till date. Further, our Company has not obtain any insurance for its liability towards the payment for gratuity as prescribed under Section 4A of The Payment of Gratuity Act, 1972 from Life Insurance Corporation of India or any other prescribed insurer till date. However, now our Company is complying with all the accounting standards and has given effects in the Restated Financial Statements for such non compliances.

28. Our restated financial statements contain auditors’ qualifications.

The restated financial statements included in this Prospectus contain certain qualifications, which appear in the notes to the restated financial statements included in this Prospectus. Our financial statements have been qualified with respect to the Audit qualifications made in March 31, 2012, March 2013 and March 2015 which do not require any corrective adjustment in the financial statement in relation to delay in deposit of certain taxes and Employee State Insurance payments as stated in Financial Statements as Restated.



29. *We have in the past entered into related party transactions and may continue to do so in the future.*

Our Company has entered into certain transactions with our related parties including our Promoter, the Promoter Group, Group Companies, our Directors and their relatives. While we believe that all such transactions have been conducted on the arm's length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation. For details on the transactions entered by us, please refer to "Related Party Transactions" in Section "Financial Statements" beginning on page 171 of this Prospectus.

30. *Our lenders have imposed certain restrictive conditions on us under our financing arrangements. Under our financing arrangements, we are required to obtain the prior, written lender consent for, among other matters, changes in our capital structure, formulate a scheme of amalgamation or reconstruction and entering into any other borrowing arrangement. Further, we are required to maintain certain financial ratios.*

There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain the consents necessary to take the actions we believe are necessary to operate and grow our business. Our level of existing debt and any new debt that we incur in the future has important consequences. Any failure to comply with these requirements or other conditions or covenants under our financing agreements that is not waived by our lenders or is not otherwise cured by us, may require us to repay the borrowing in whole or part and may include other related costs. Our Company may be forced to sell some or all of its assets or limit our operations. This may adversely affect our ability to conduct our business and impair our future growth plans. For further information, see the chapter titled "Financial Indebtedness" on page 208 of this Prospectus.

Though these covenants are restrictive to some extent to us however it ensures financial discipline, which would help us in the long run to improve our financial performance.

31. *Our insurance coverage may not be adequate.*

Our Company has obtained insurance coverage in respect of certain risks. Our significant insurance policies consist of, among others, standard fire and special perils, Terrorism Cover, etc. While we believe that we maintain insurance coverage in adequate amounts consistent with size of our business, our insurance policies do not cover all risks, specifically risks like burglary. There can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance has been availed. If we suffer a significant uninsured loss or if insurance claim in respect of the subject-matter of insurance is not accepted or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and results of operations may be materially and adversely affected.

For further details, please refer chapter titled "Our Business" beginning on page 122 of this Prospectus.

- 32. Our success depends largely upon the services of our Promoters, Directors and other Key Managerial Personnel and our ability to attract and retain them. Demand for Key Managerial Personnel in the industry is intense and our inability to attract and retain Key Managerial Personnel may affect the operations of our Company.**

Our Promoters and directors, Kailash Dubal and Jignesh Dubal have built relations with clients and other persons who are connected with us. Our success is substantially dependent on the expertise and services of our Directors and our Key Managerial Personnel. They provide expertise which enables us to make well informed decisions in relation to our business and our future prospects. Our future performance will depend upon the continued services of these persons. Demand for Key Managerial Personnel in our industry is intense. We cannot assure you that we will be able to retain any or all, or that our succession planning will help to replace, the key members of our management. The loss of the services of such key members of our management team and the failure of any succession plans to replace such key members could have an adverse effect on our business and the results of our operations.

- 33. Our Promoter and Directors may have interest in our Company, other than reimbursement of expenses incurred or remuneration.**

Our Promoter and Directors may be deemed to be interested to the extent of the Equity Shares held by them, or their relatives or loans advanced and personal guarantee's if any provided by them to/for the Company, and benefits deriving from their directorship in our Company. Our Promoters are interested in the transactions entered into between our Company and themselves as well as between our Company and our Group Entities or Promoter Group. For further details, please refer to the chapters titled "Our Business", "Our Promoter and Promoter Group" and "Related Party Transactions", beginning on page 122, 162 and 169 respectively of this Prospectus.

- 34. 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 63.32% 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.

- 35. Our future funds requirements, in the form of fresh issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the shareholders depending upon the terms on which they are eventually raised.**

We may require additional capital from time to time depending on our business needs. Any fresh issue of shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favorable to the then existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

36. Our ability to pay dividends will depend upon future earnings, financial condition, cash flows, working capital requirements, capital expenditures and other factors.

The amount of our future dividend payments, if any, will depend upon various factors such as our future earnings, financial condition, cash flows, working capital requirements, capital expenditures and other factors. There can be no assurance that we shall have distributable funds or that we will declare dividends in the future. Additionally, the terms of any financing we obtain in the future, may contain restrictive covenants which may also affect some of the rights of our shareholders, including the payment of the dividend.

37. Delay in raising funds from the IPO could adversely impact the implementation schedule and affect our ability to execute the expansion project within the given time frame, thus impeding our growth plans and profitability

Acquisition of Land for our certain new projects is proposed to be funded from the proceeds of the IPO. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Net Proceeds may delay the implementation schedule. We therefore, cannot assure that we would be able to execute the expansion project within the given time frame, or within the costs as originally estimated by us. Any time overrun or cost overrun may adversely affect our growth plans and profitability.

38. Within the parameters as mentioned in the chapter titled 'Objects of this Issue' beginning on page 89 of this Prospectus, our Company's management will have flexibility in applying the proceeds of this Issue. The fund requirement and deployment mentioned in the Objects of this Issue have not been appraised by any bank or financial institution.

We intend to use entire fresh Issue Proceeds towards Acquisition of Land, general corporate purposes and to meet the issue expenses. We intend to deploy the Net Issue Proceeds in financial year 2015-2016 and such deployment is based on certain assumptions and strategy which our Company believes to implement in future. The funds raised from the fresh Issue may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc., For further details on the use of the Issue Proceeds, please refer chapter titled "*Objects of the Issue*" beginning on page 89 of this Prospectus.

The deployment of funds for the purposes described above is at the discretion of our Company's Board of Directors. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution. Accordingly, within the parameters as mentioned in the chapter titled 'Objects of the Issue' beginning on page 89 of this Prospectus, the Management will have significant flexibility in applying the proceeds received by our Company from the Issue. Our Board of Directors will monitor the utilisation of the proceeds of this Issue.

In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilisation of the Net Proceeds as disclosed in this Prospectus without obtaining the Shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the Shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such Shareholders' approval may adversely affect our business or operations.

A. Risk relating to the Issue

39. *We have issued Equity Shares in the last twelve months, the price of which is lower than the Issue Price.*

Our Company has converted 10,00,000 Preference Shares into Equity Shares and has issued 50,00,000 Bonus Equity Shares in the last twelve months. For further details of Equity Shares issued, please refer to chapter titled, 'Capital Structure' beginning on page 71 of this Prospectus.

40. *Sale of Equity Shares by our Promoter or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.*

Any instance of disinvestments of equity shares by our Promoter or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur.

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

Once listed, we would be subject to circuit breakers imposed by all stock exchanges in India, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on circuit breakers is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges do not inform us of the percentage limit of the circuit breaker in effect from time to time, and may change it without our knowledge. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

42. *After this Issue, the price of the Equity Shares may be highly volatile, or an active trading market for the Equity Shares may not develop.*

The price of the Equity Shares on the Stock Exchanges may fluctuate as a result of the factors, including:

- a. Volatility in the Indian and global capital market;
- b. Company's results of operations and financial performance;
- c. Performance of Company's competitors;
- d. Adverse media reports on the Company or pertaining to the Industry in which we operate;
- e. Changes in our estimates of performance or recommendations by financial analysts;
- f. Significant developments in India's economic and fiscal policies;

Current valuations may not be sustainable in the future and may also not be reflective of future valuations for our industry and our Company. There has been no public market for the Equity Shares and the prices of the Equity Shares may fluctuate after this Issue. There can be no assurance that an active trading market for the Equity Shares will develop or be sustained after this Issue or that the price at which the Equity Shares are initially traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

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

The Issue Price of our Equity Shares has been determined by book build method. This price is based on numerous factors (For further information, please refer chapter titled “Basis for Issue Price” beginning on page 95 of this Prospectus) and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation. The following:

- Half yearly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- Changes in revenue or earnings estimates or publication of research reports by analysts;
- Speculation in the press or investment community;
- General market conditions; and
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

44. *You will not be able to sell immediately on Indian Stock Exchanges any of the Equity Shares you purchase in the Issue until the Issue receives appropriate trading permissions.*

The Equity Shares will be listed on the Stock Exchange. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. We cannot assure you that the Equity Shares will be credited to investor’s demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this Prospectus. Any failure or delay in obtaining the approval would restrict your ability to dispose of the Equity Shares. In accordance with section 40 of the New Companies Act, in the event that the permission of listing the Equity Shares is denied by the stock exchanges, we are required to refund all monies collected to investors.

45. *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.

EXTERNAL RISK FACTORS

46. Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.

The following external risks may have an adverse impact on our business and results of operations should any of them materialize:

- A change in the central or state government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular;
- High rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins; and
- A slowdown in economic growth or financial instability in India could adversely affect our business and results of operations.
- Civil unrest, acts of violence, terrorists attacks, regional conflicts or situations or war involving India or other countries could materially and adversely affect the financial markets which could impact our business. Such incidents could impact economic growth or create a perception that investment in Indian companies could involve higher degree in risk which could reduce the value of the equity shares.
- National disasters in India may disrupt or adversely effect the Indian economy which in turn may affect the health of our business
- Any downgrading of Indian Sovereign rating by international credit rating agencies may negatively impact our business and access to capital

47. The Companies Act, 2013 has effected significant changes to the existing Indian company law framework, which may subject us to higher compliance requirements and increase our compliance costs.

A majority of the provisions and rules under the Companies Act, 2013 have recently been notified and have come into effect from the date of their respective notification, resulting in the corresponding provisions of the Companies Act, 1956 ceasing to have effect. The Companies Act, 2013 has brought into effect significant changes to the Indian company law framework, such as in the provisions related to issue of capital, disclosures in Prospectus, corporate governance norms, audit matters, related party transactions, introduction of a provision allowing the initiation of class action suits in India against companies by shareholders or depositors, a restriction on investment by an Indian company through more than two layers of subsidiary investment companies (subject to certain permitted exceptions), prohibitions on loans to directors and insider trading and restrictions on directors and key managerial personnel from engaging in forward dealing. To ensure compliance with the requirements of the Companies Act, 2013, we may need to allocate additional resources, which may increase our regulatory compliance costs and divert management attention.

The Companies Act, 2013 introduced certain additional requirements which do not have corresponding equivalents under the Companies Act, 1956. Accordingly, we may face challenges in interpreting and complying with such provisions due to limited jurisprudence on them. In the event, our interpretation of such provisions of the Companies Act, 2013 differs from, or contradicts with, any judicial pronouncements or clarifications issued by the Government in the future, we may face regulatory actions or we may be required to undertake remedial steps. We may face difficulties in complying with any such overlapping requirements. Further, we cannot currently determine the impact of provisions of the Companies Act, 2013 which are yet to come in force. Any increase in our



compliance requirements or in our compliance costs may have an adverse effect on our business and results of operations.

48. Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with SEBI ICDR Regulations contained in this Prospectus.

As stated in the reports of the Auditor included in this Prospectus on page 171, the financial statements included in this Prospectus are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, and no attempt has been made to reconcile any of the information given in this Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in this Prospectus. Accordingly, the degree to which the financial information included in this Prospectus will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Prospectus should accordingly be limited.

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

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

50. We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and the real estate industry contained in the Prospectus.

While facts and other statistics in the Prospectus relating to India, the Indian economy and the real estate industry has been based on various government publications and reports from government and private agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled 'Our Industry' beginning on page 108 of this Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

51. *Conditions in the Indian securities market may affect the price or liquidity of our Equity Shares.*

The Indian securities markets are smaller than securities markets in more developed economies and the regulation and monitoring of Indian securities markets and the activities of investors, brokers and other participants differ, in some cases significantly, from those in the more developed economies. Indian stock exchanges have in the past experienced substantial fluctuations in the prices of listed securities. Further, the Indian stock exchanges have experienced volatility in the recent times. The Indian stock exchanges have also experienced problems that have affected the market price and liquidity of the securities of Indian companies, such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading and limited price movements. A closure of, or trading stoppage on the BSE could adversely affect the trading price of the Equity Shares.

52. *Changes in government regulations or their implementation could disrupt our operations and adversely affect our business and results of operations.*

Our business and industry is regulated by different laws, rules and regulations framed by the Central and State Government. These regulations can be amended/ changed on a short notice at the discretion of the Government. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change adversely, we may incur increased costs or be subject to penalties, which could disrupt our operations and adversely affect our business and results of operations.

53. *Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.*

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

54. *Any downgrading of India's sovereign rating by an independent agency may harm our ability to raise financing.*

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing may be available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of our Equity Shares.

55. *Financial instability in Indian financial markets could adversely affect Our Company's results of operations and financial condition.*

In this globalized world, the Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, say in the United States of America, Europe, China or other economies, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil. Any prolonged financial crisis may have an adverse impact on the Indian economy, thereby resulting in a material and adverse effect on our Company's business, operations, financial condition, profitability and price of its Shares. Stock exchanges in India have in the past experienced substantial fluctuations in the prices of listed securities.

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

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

57. *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 effect on our business, financial condition and results of operations.*

Taxes and other levies imposed by the central or state governments in India that affect our industry including other new or special taxes and surcharges introduced on a permanent or temporary basis from time to time.

These taxes and levies affect the cost and prices of our products and therefore demand for our product. An increase in any of these taxes or levies, or the imposition of new taxes or levies in the future, may have a material adverse effect on our business, profitability and financial condition.

58. *The extent and reliability of Indian infrastructure could adversely affect our Company's results of operations and financial condition.*

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

59. *The occurrence of natural disasters may adversely affect our business, financial condition and results of operations.*

The occurrence of natural disasters, including hurricanes, floods, earthquakes, tornadoes, fires and pandemic disease may adversely affect our financial condition or results of operations. The potential

impact of a natural disaster on our results of operations and financial position is speculative, and would depend on numerous factor The extent and severity of these natural disasters determines their effect on the Indian economy. Although the long term effect of diseases such as the H5N1 “avian flu” virus, or H1N1, the swine flu virus, cannot currently be predicted, previous occurrences of avian flu and swine flu had an adverse effect on the economies of those countries in which they were most prevalent. An outbreak of a communicable disease in India would adversely affect our business and financial conditions and results of operations. We cannot assure you that such events will not occur in the future or that our business, financial condition and results of operations will not be adversely affected.

PROMINENT NOTES

1. Public Issue of 25,20,000 Equity Shares of face value of Rs. 10 each of our Company for cash at a price of 45/- per Equity Share (including a share premium of 35/- per equity share) (“Issue Price”) aggregating upto Rs. 1134.00 Lakhs, of which 1,32,000 Equity Shares of face value of Rs. 10 each will be reserved for subscription by Market Maker to the Issue (“Market Maker Reservation Portion”). The Issue less the Market Maker Reservation Portion i.e. Net Issue of 23,88,000 Equity Shares of face value of Rs. 10 each is hereinafter referred to as the “Net Issue”. The Issue and the Net Issue will constitute 26.47% and 25.08%, respectively of the post Issue paid up equity share capital of the Company.
2. Investors may contact the Lead Manager or the Company Secretary & Compliance Officer for any complaint/clarification/information pertaining to the Issue. For contact details of the Lead Manager and the Company Secretary & Compliance Officer, please refer to chapter titled “General Information” beginning on page 62 of this Prospectus.
3. The pre-issue net worth of our Company was Rs. 845.62 Lakhs, Rs. 575.83 Lakhs, Rs. 460.00 Lakhs, Rs. 351.59 Lakhs and Rs. 327.46 Lakhs as of March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011 respectively. The book value of each Equity Share was Rs. 74.56, Rs. 47.58, Rs. 36.00, Rs. 25.16 and Rs. 22.75 as of March 31, 2015, 2014, 2013, 2012 and 2011 respectively as per the restated financial statements of our Company. For more information, please refer to section titled “Financial Statements” beginning on page 171 of this Prospectus.
4. The average cost of acquisition per Equity Share by our Promoters is set forth in the table below:

| Name of the Promoters | No. of Shares held | Average cost of acquisition (in Rs.) |
|-----------------------|--------------------|--------------------------------------|
| Kailash Dubal | 45,04,780 | 2.86 |
| Jignesh Dubal | 30,030 | 2.86 |

For further details relating to the allotment of Equity Shares to our Promoters, please refer to the chapter titled “Capital Structure” beginning on page number 71 of this Prospectus.

5. Our Company has entered into related party during the previous years. For details on related party transactions and loans and advances made to any company in which Directors are interested, please refer Annexure “XX” “Related Party Transaction” beginning on page 190 under chapter titled “Financial Statements as restated” beginning on page 171 of this Prospectus.
6. Investors may note that in case of over-subscription in the Issue, allotment to Retail applicants and other applicants shall be on a proportionate basis. For more information, please refer to the chapter titled “Issue Structure” beginning on page 238 of this Prospectus.
7. Except as disclosed in the chapter titled “Capital Structure”, “Our Promoter and Promoter Group”, “Our Management” and “Related Party Transaction” beginning on pages 71, 162, 145 and 169 respectively, of this Prospectus, none of our Promoters, Directors or Key Management Personnel has any interest in our Company.



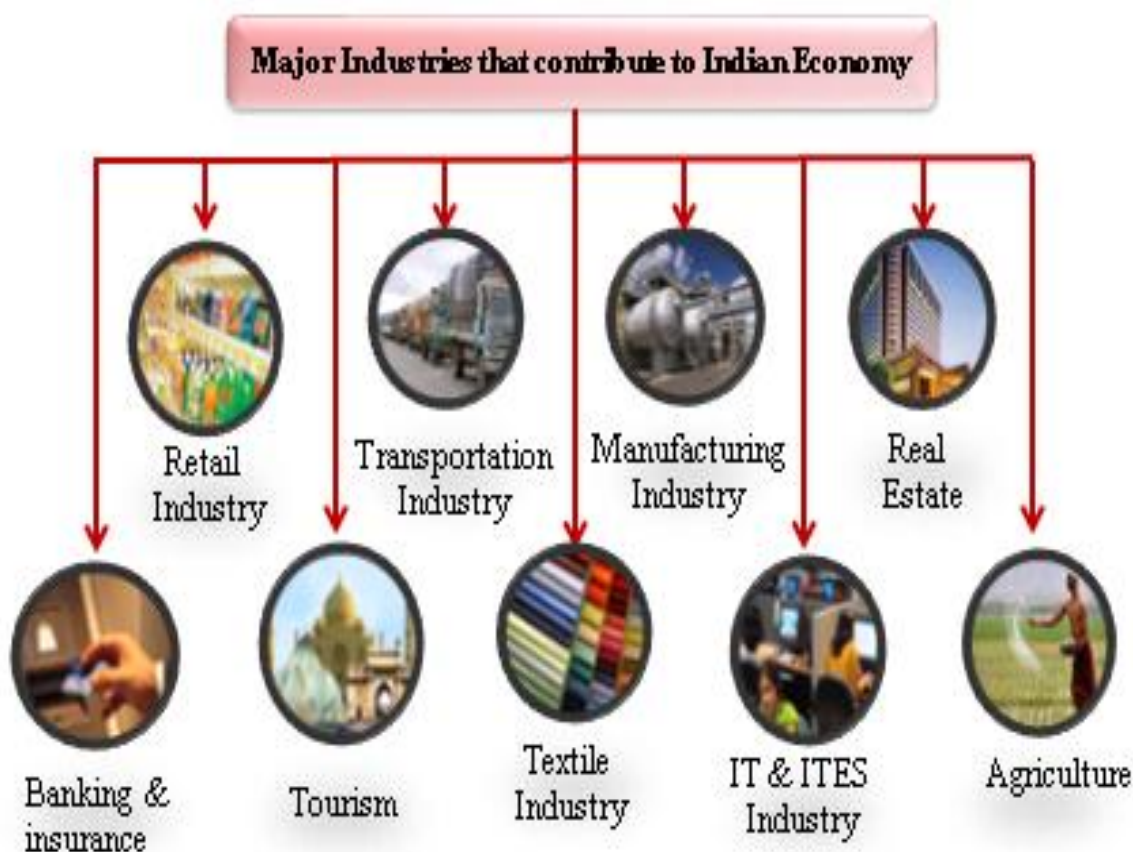
8. Except as disclosed in the chapter titled *“Capital Structure”* beginning on page 71 of this Prospectus, we have not issued any Equity Shares for consideration other than cash.
9. Trading in Equity Shares of our Company for all investors shall be in dematerialized form only.
10. Investors are advised to refer to the chapter titled *“Basis for Issue Price”* beginning on page 95 of the Prospectus.
11. There are no financing arrangements whereby the Promoter Group, the Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company during the period of six months immediately preceding the date of filing of this Prospectus with the Stock exchange.
12. Our Company was incorporated as *“Sri Krishna Constructions (India) Private Limited”* in Bangalore, Karnataka, as a private limited company under the provisions of the Companies Act, 1956 vide certificate of incorporation dated December 5, 2005 bearing registration no. 037848 issued by Registrar of Companies, Bangalore, Karnataka. Our Company was converted in to public company vide fresh certificate of incorporation consequent upon conversion from private to public company dated June 29, 2015 issued by Registrar of Companies, Karnataka, Bangalore. Our corporate identification number is U45201KA2005PLC037848. For further details please refer to chapter titled *“Our History and Certain Other Corporate Matters”* beginning on page 141 of this Prospectus.
13. Except as stated in the chapter titled *“Our Group Entities”* beginning on page 166 and chapter titled *“Related Party Transactions”* beginning on page 169 of this Prospectus, our Group Entities have no business interest or other interest in our Company.

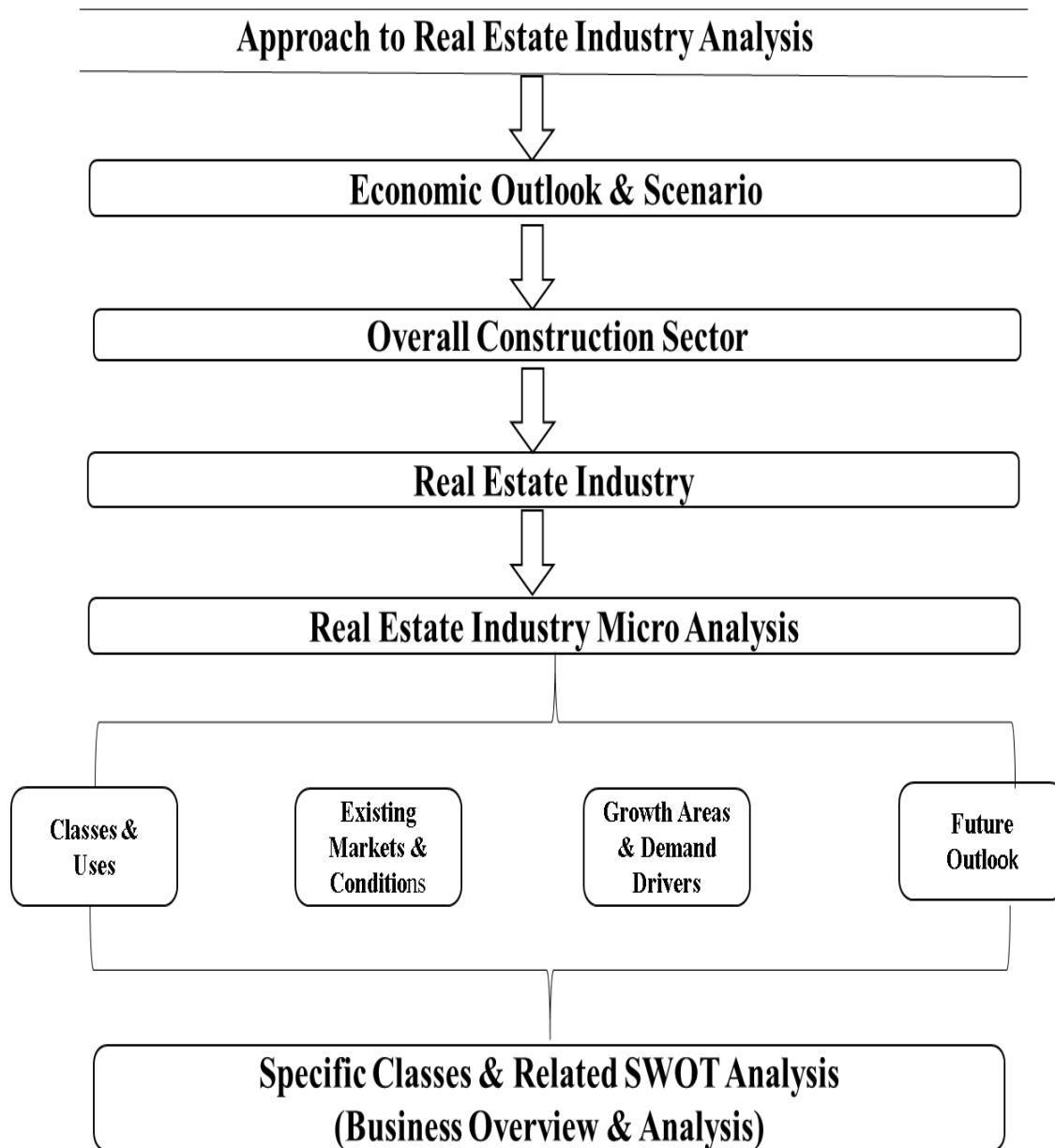
SECTION III – INTRODUCTION

SUMMARY OF INDUSTRY

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any person connected with the issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and accuracy, completeness and underlying assumptions are not guaranteed and their reliability can not be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Prospectus, including the information contained in the sections titled “*Risk Factors*” and “*Financial Statements*” and related notes beginning on page no 16 and 171 respectively of this Prospectus before deciding to invest in our Equity Shares.

MAJOR INDUSTRY THAT CONTRIBUTE TO INDIAN ECONOMY




GLOBAL ECONOMIC ENVIRONMENT

The global economic environment appears poised for a change for the better with the recent sharp fall in the international prices of crude petroleum, which is expected to boost global aggregate demand, and the sharp recovery in the US economy in the face of gradual withdrawal from monetary accommodation. Following the global crisis of 2008, the global economy came under a cloud of uncertainty and the prolonged weakness in the euro area, particularly since 2011, led to the (IMF) often revising global growth downwards in its World Economic Outlook (WEO). In its Update, published on 20 January 2015, the IMF projected the global economy to grow from 3.3 per cent in 2014 to 3.5 per cent in 2015 and further to 3.7 per cent in 2016. This downward revision from its October 2014 projections owed to the weaker economic prospects in China, Russia, the euro area, Japan, and some major oil exporters because of the sharp drop in oil prices. The United States is the only major economy for which

growth projections have been raised by 0.5 percentage point to 3.6 per cent for 2015. 4.3 In the case of emerging market and developing economies (EMDEs), which continue to struggle with tepid domestic demand and headwinds from structural impediments, the IMF Update projects growth to moderate to 4.3 per cent in 2015 and 4.7 per cent in 2016.

Going forward, the lower oil price is likely to be more positive for the EMDEs that account for more than half of the global output (purchasing power parity terms) given their higher contribution to global growth with inflation remaining anchored. This might lead to a better outcome than projected. A sudden correction in financial markets and downside risks to growth with a possible further slowdown in the euro area along with the likely duration of the oil price supply shock effect, are some of the concerns that linger on.

(Source: Economic Survey 2014-15; indiabudget.nic.in)

THE INDIAN ECONOMY

India is set to become the world's fastest-growing major economy by 2016 ahead of China, the International Monetary Fund (IMF) said in its recent latest forecast. India is expected to grow at 6.3 per cent in 2015, and 6.5 per cent in 2016 by when it is likely to cross China's projected growth rate, the IMF said in the latest update of its World Economic Outlook.

India's macro-economic prospects have strengthened and the country is best positioned among emerging market economies, gaining global investor's attention, says a report by ICICI Bank. The improvement in India's economic fundamentals has accelerated in FY2015 with the combined impact of a strong Government mandate, RBI's inflation focus supported by benign global commodity prices.

Source: www.ibef.org

OUTLOOK FOR GROWTH

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. Their cumulative growth impact will be positive. A further impetus to growth will be provided by declining oil prices and increasing monetary easing facilitated by on-going 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 declines 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 year⁴. Using the new estimate for 2014-15 as the base, this implies growth at market prices of 8.1- 8.5 per cent in 2015-16. The power of growth to lift all boats will depend critically on its employment creation potential.

(Source: Economic Survey 2014-15; indiabudget.nic.in)

OUTLOOK FOR 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 per cent by the IMF. This needs to move toward levels in comparator countries—estimated at 25 per cent for emerging Asian economies and 29 per cent 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.

These include:

- Deregulating diesel prices, paving the way for new investments in this sector;
- Raising gas prices from US\$ 4.2 per million British thermal unit to US\$ 5.6, and linking pricing, transparently and automatically, to international prices so as to provide incentives for greater gas supply and thereby relieving the power sector bottlenecks;
- Taxing energy products. Since October, taking advantage of declining oil prices, the excise tax on diesel and coal was increased four times. In addition to resulting in collections of about 70,000 crore (on an annualized basis), this action will have positive environmental consequences;
- Replacing the cooking gas subsidy by direct transfers on a national scale;
- Instituting the Expenditure Management Commission, which has submitted its interim report for rationalizing expenditures;
- Passing an ordinance to reform the coal sector via auctions;
- Securing the political agreement on the goods and services tax (GST) that will allow legislative passage of the constitutional amendment bill;
- Instituting a major program for financial inclusion—the Pradhan Mantri Jan Dhan Yojana under which over 12.5 crore new accounts have been opened till mid-February 2014;
- Continuing the push to extending coverage under the Aadhaar program, targeting enrolment for 1 billion Indians; as of early February, 757 million Indians had been bio-identified and 139-Aadhaar linked bank accounts created;
- Increasing FDI caps in defence;
- Eliminating the quantitative restrictions on gold;
- Passing an ordinance to make land acquisition less onerous, thereby easing the cost of doing business, while ensuring that farmers get fair compensation;
- Facilitating Presidential Assent for labour reforms in Rajasthan, setting an example for further reform initiatives by the states; and consolidating and making transparent a number of labour laws; and
- Passing an ordinance increasing the FDI cap in insurance to 49 per cent. Commencing a program of disinvestments under which 10 per cent of the government's stake in Coal India was offered to the public, yielding about ` 22,500 crore, of which ` 5,800 crore was from foreign investors;
- Passing the Mines and Minerals (Development and Regulation) (MMDR) Amendment Ordinance, 2015 is a significant step in revival of the hitherto stagnant mining sector in the country. The process of auction for allotment would usher in greater transparency and boost revenues for the States.

(Source: Economic Survey 2014-15; indiabudget.nic.in)

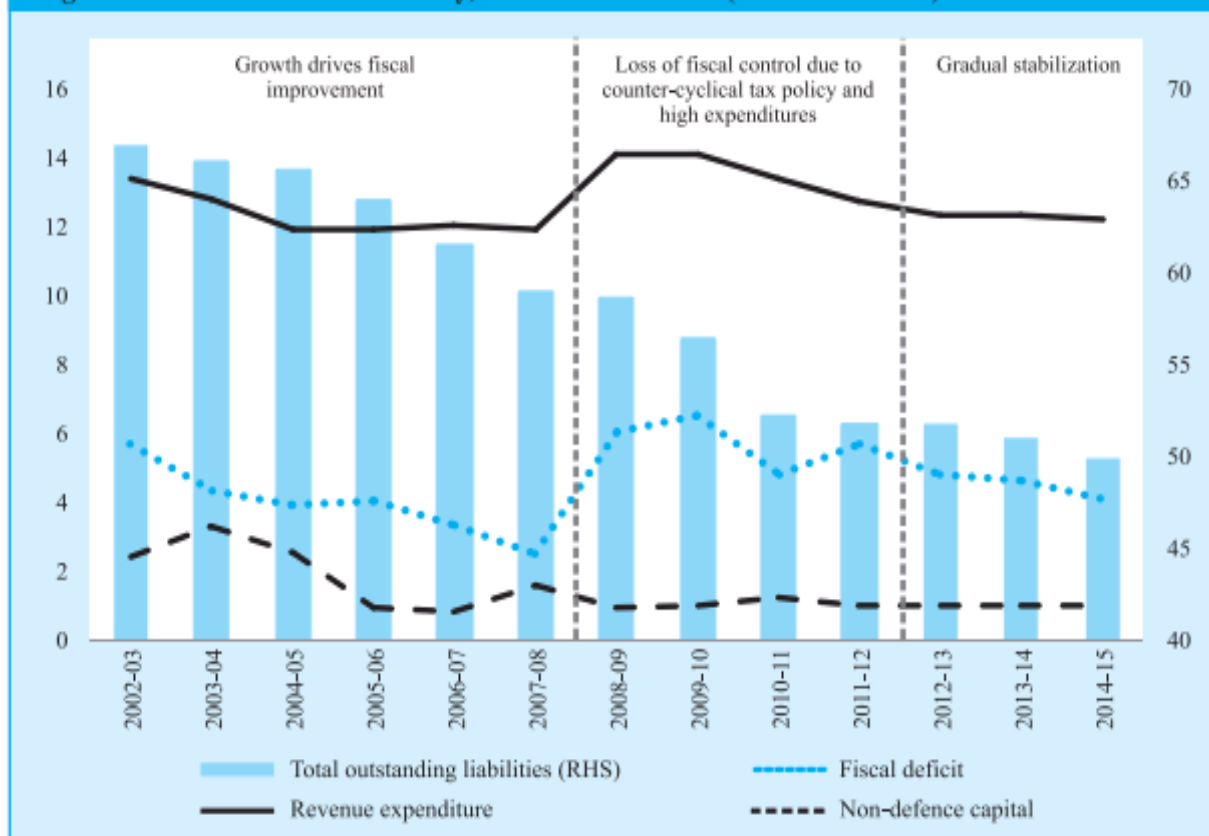
FISCAL FRAMEWORK

Notwithstanding the challenging nature of the 2014-15 budget, elaborated in the Mid-Year Economic Analysis 2014-15, the Government will adhere to the fiscal target of 4.1 per cent of GDP. Despite weakness in revenue collection and delayed disinvestment, new excises on diesel and petrol (revenue yield of about Rs 20,000 crore), reduced subsidies, and expenditure compression will ensure the commitment to discipline. India can reconcile the requirements of fiscal consolidation and the imperative of boosting public investment to revive growth and crowd-in private investment provided the right lessons are learnt.

Since this is the first full budget of the new government, and especially in light of the far-reaching recommendations of the Fourteenth Finance Commission, the time is ripe for reviewing the medium-term framework and setting targets for the upcoming year against that background and taking account of the lessons of recent history three phases marked recent fiscal history:

- a. First the rapid growth improved all fiscal aggregates, flows and stocks. But failure to control expenditure, especially revenue expenditure, towards the end of that phase, combined with excessive counter-cyclical policies in the second phase (2009-12) led to a loss of fiscal control that contributed to the near-crisis of 2013. A casualty has been low and stagnating capital expenditure. In the third phase (2013-today), a modicum of fiscal stability has been restored. This history suggests the following strategy going forward. First, in the medium term, India must meet its medium-term target of 3 per cent of GDP. This will provide the fiscal space to insure against future shocks and also to move closer to the fiscal performance of its emerging market peers. It must also reverse the trajectory of recent years and move toward the 'golden rule' of eliminating revenue deficits and ensuring that, over the cycle, borrowing is only for capital formation.
- b. Second, the way to achieve these targets will be expenditure control and expenditure switching from consumption to investment. And the secular decline in capital expenditure in the last decade has undermined India's long run growth potential. From 2016-17, as growth gathers steam and as the GST is implemented, the consequential tax buoyancy when combined with expenditure control will ensure that medium term targets can be comfortably met. This buoyancy is assured by history because over the course of the growth surge in the last decade, the overall tax-GDP ratio increased by about 2.7 percentage points, from 9.2 per cent in 2003-04 to 11.9 per cent in 2007-08 even without radical tax reform.
- c. Third, the medium-term commitment to discipline cannot result in an Augustinian deferment of actions. In the upcoming year, too, fiscal consolidation must continue. However, the need for accelerated fiscal consolidation has lessened because macroeconomic pressures have significantly abated with the dramatic decline in inflation and turnaround in the current account deficit.

Figure 1.13: Recent Fiscal History, 2002-03 to 2014-15 (Percent of GDP)



Source: Budget Documents and CSO.

Note: Numbers for 2013-14 and 2014-15 are revised estimates and budget estimates, respectively.

(Source: Economic Survey 2014-15)

MARKET SIZE

The government, engineering an economic rebound with a slew of reforms, has unveiled a new statistical method to calculate the national income with a broader framework that turned up a pleasant surprise: GDP in the past year 2013-14 grew 6.9 per cent instead of the earlier 4.7 per cent.

The revision in base year of India's national accounts will increase the size of the economy to Rs 111.7 trillion (US\$ 1.8 trillion) in FY14, according to India Ratings. The size of the Indian economy was at about Rs 93.89 trillion (US\$ 1.51 trillion) in 2012-13.

Also, Capital Economics (CE), an independent macro-economic research company, released its India Watch research report recently, cataloguing its interpretation and expectations on the upcoming Budget 2015. It sees Indian economy expanding by 5.5 per cent in 2015, owing to the fall in crude oil prices and interest rates.

Stating that its great time to invest in India, Minister of State for Finance Mr Jayant Sinha said the Indian economy has potential to become a US\$ 4-5 trillion economy in the next 10-12 years.

INVESTMENTS

With the improvement in the economic scenario, there has been quite a few investments in various sectors along with M&A in India. Some of them are as follows:

- India has emerged as one of the strongest performers in the deal-street across the world as mergers and acquisitions (M&A). M&A activity increased in 2014 with deals worth US\$ 38.1 billion being concluded, compared to US\$ 28.2 billion in 2013 and US\$ 35.4 billion in 2012
- The combined index of eight core industries stood at 166.2 in November 2014 – 6.7 per cent higher compared to the index of November 2013. Its cumulative growth during April to November, 2014–15 was 4.6 per cent.
- India and Germany have decided to set up two working groups—one on circular economy and other on water management—after a meeting with German Environment Minister Ms Barbara Hendricks. After a recent meeting, the two sides announced that the focus of the working groups would be on restoration of water bodies, waste management and more efficient use of water resources.
- The Union Cabinet, chaired by the Prime Minister Shri Narendra Modi, has given its approval to enter into a Memorandum of Understanding (MoU) for strengthening cooperation in the field of tourism, between the Ministry of Tourism, Government of India and the Ministry of Tourism, Government of the Sultanate of Oman
- India's consumer confidence continues to remain highest globally and showed improvement in the fourth quarter of calendar year 2014 (Q4), riding on positive economic environment and lower inflation. Nielsen's findings reveal that the consumer confidence of urban India increased by three points in Q4 from the preceding quarter. With a score of 129 in Q4, urban India's consumer confidence is up by 14 points from the corresponding period of the previous year (Q4 of 2013) when it stood at 115.
- India's foreign exchange reserves touched a record US\$ 322 billion, surpassing the previous high of almost US\$ 321 billion in September 2011. Latest data released shows an accretion of US\$ 2.7 billion during the week ended January 16, 2015, essentially due to a rise in foreign currency assets. Market players said RBI has been buying dollars to ensure that the rupee stays strong. At current levels, reserves are sufficient to cover imports for eight-and-a-half months.
- The government has announced that foreign investors can put in as much as Rs 90,300 crore (US\$ 14.55 billion) in India's rail infrastructure through the FDI route, according to a list of projects released by the Ministry of Railways. The Rs 63,000 crore (US\$ 10.15 billion) Mumbai-Ahmedabad high-speed corridor project is the single largest. The other big ones include the Rs 14,000 crore (US\$ 2.25 billion) CSTM-Panvel suburban corridor, to be implemented in public-private partnership (PPP), and the Rs 1,200 crore (US\$ 193.46 million) Kachrapara rail coach factory, besides multiple freight line, electrification and signalling projects.

GOVERNMENT INITIATIVES

India has become a promising investment destination for foreign companies looking to do business here. Mr Narendra Modi, Prime Minister of India, has launched the 'Make in India' initiative with the aim to give the Indian economy global recognition. This initiative is expected to increase the purchasing power of the common man, which would further boost demand, and hence spur development, in addition to benefiting investors. The steps taken by the government in recent times have shown positive results as India's gross domestic product (GDP) at factor cost at constant (2004-05) prices for Q1 of 2014-15 is estimated at Rs. 14.38 trillion (US\$ 231.83 billion), as against Rs 13.61 trillion (US\$ 219.42 billion) in Q1 of 2013-14, registering a growth rate of 5.7 per cent.

Based on the recommendations of the Foreign Investment Promotion Board (FIPB), the Government of India has approved 14 proposals of FDI amounting to Rs 1,528.38 crore (US\$ 246.42 million)

approximately. Out of the 14 approved proposals, six of them belonged to the pharmaceutical sector which was the highest number of approvals for any sector.

ROAD AHEAD

The International Monetary Fund (IMF) and the World Bank in a joint report have forecasted that India will register a growth of 6.4 per cent in 2015, due to renewed confidence in the market brought about by a series of economic reforms pursued by the government. A United Nations body pegged India's economic growth at 8.1 per cent for 2015-16.

Only India is anticipated to witness better growth momentum among the BRIC bloc whereas other member countries are expected to see stable growth momentum, according to Organisation for Economic Cooperation and Development (OECD).

India could become the world's seventh biggest nation in terms of private wealth, with a 150 per cent increase in total, from US\$ 2 trillion in 2013 to US\$ 5 trillion in 2018, as per a recent study by the Boston Consulting Group (BCG).

Furthermore, the new 'Make in India' initiative is expected to be a vital component in India's quest for achieving wholesome economic development.

(Source: www.ibef.org)

MARKET SIZE OF REAL ESTATE INDUSTRY

The Indian real estate market size is expected to touch US\$ 180 billion by 2020. The housing sector alone contributes 5-6 per cent to the country's gross domestic product (GDP). Also, in the period FY08-20, the market size of this sector is expected to increase at a compound annual growth rate (CAGR) of 11.2 per cent. Retail, hospitality and commercial real estate are also growing significantly, providing the much-needed infrastructure for India's growing needs.

Real estate has emerged as the second most active sector, raising US\$ 1.2 billion from private equity (PE) investors in the last 10 months.

Foreign investors have bought tenanted office space worth over US\$ 2 billion in India in 2014, a four-fold rise compared to the previous year, in order to increase their rent-yielding commercial assets in Asia's third largest economy.

According to a study by Knight Frank, Mumbai is the best city in India for commercial real estate investment, with returns of 12-19 per cent likely in the next five years, followed by Bengaluru and Delhi-National Capital Region (NCR). Also, Delhi-NCR was the biggest office market in India with 110 million sq ft, out of which 88 million sq ft were occupied. Sectors such as IT and ITeS, retail, consulting and e-commerce have registered high demand for office space in recent times.

Delhi's Central Business District (CBD) of Connaught Place has been ranked as the sixth most expensive prime office market in the world with occupancy costs at US\$ 160 per sq ft per annum, according to a survey by CBRE.

INVESTMENT IN REAL ESTATE

The Indian real estate sector has witnessed high growth in recent times with the rise in demand for office as well as residential spaces.

Blackstone Group Lp is all set to become the largest owner of commercial office real estate in India after a three-year acquisition drive in which it spent US\$ 900 million to buy prime assets.

According to data released by Department of Industrial Policy and Promotion (DIPP), the construction development sector in India has received foreign direct investment (FDI) equity inflows to the tune of US\$ 24,012.87 million in the period April 2000-December 2014.

Some of the major investments in this sector are as follows:

- Google Capital has invested in Bengaluru-based online property search platform, CommonFloor.com.
- Omkar Realtors and Developers Pvt Ltd is in talks to raise Rs 400 crore (US\$ 66.68 million) from KKR India Asset Finance Pvt Ltd, the local arm of global investor Kohlberg Kravis Roberts and Co LP (KKR).
- Goldman Sachs Group bought shares worth Rs 255 crore (US\$ 41.23 million) in Vatika Hotels Pvt Ltd, a company owned by real estate and hospitality firm Vatika Group.
- SoftBank Internet and Media Inc will invest, along with Falcon Edge Capital and others, US\$ 90 million in Locon Solutions Pvt Ltd, which runs Housing.com - a realty website. The SoftBank Group will become the largest investor in Housing.com after this round of funding.
- The Qatar Prince, Hamad bin Khalifa Al Thani, plans to invest Rs 1,000 billion (US\$ 16.17 billion) over the next five years in at least 10 smart cities of India. He has already tied up with a Delhi-based businessman for taking the investment forward through projects in real estate, sea ports and airports, besides smart cities.
- Real estate firm Supertech has planned to invest about Rs 2,000 crore (US\$ 323.49 million) in Gurgaon over the next few years by launching several luxury and affordable projects.

GOVERNMENT INITIATIVES IN REAL ESTATE INDUSTRY

Under the Sardar Patel Urban Housing Mission, 30 million houses will be built by 2022, mostly for the economically weaker sections and low-income groups, through public-private-partnership (PPP), interest subsidy and increased flow of resources to housing sector', according to Mr M Venkaiah Naidu, Union Minister of Urban Development, Housing and Urban Poverty Alleviation and Parliamentary Affairs, Government of India.

- The Government of India along with the governments of the respective states have taken several initiatives to encourage the development in the sector. Some of them are as follows:
- The Government of Maharashtra has announced a series of measures to bring transparency and increase the ease of doing business in the real estate sector.
- The Government of India has relaxed the norms to allow foreign direct investment (FDI) in the construction development sector. This move should boost affordable housing projects and smart cities across the country.
- The Securities and Exchange Board of India (SEBI) has notified final regulations that will govern real estate investment trusts (REITs) and infrastructure investment trusts (InvITs). This move will enable easier access to funds for cash-strapped developers and create a new investment avenue for institutions and high net worth individuals, and eventually ordinary investors.
- The Telangana Real Estate Developers' Association (Treda) plans to host the Fifth Treda Property Show 2014 at Hitex Centre, Hyderabad. The show will be open to a mix of the populace, including prospective property purchasers, investors, architects and others.
- The State Government of Kerala has decided to make the process of securing permits from local bodies for construction of houses smoother, as it plans to make the process online with the launch of software called 'Sanketham'. This will ensure a more standardised procedure, more transparency, and less corruption and bribery.

ROAD AHEAD IN REAL ESTATE INDUSTRY

Responding to an increasingly well-informed consumer and keeping in mind the globalization of the Indian business outlook, real estate developers have also shifted gears and accepted fresh challenges.

The most marked change has been the shift from family owned businesses to professionally managed ones. Real estate developers, in meeting the growing need for managing multiple projects across cities, are investing in centralized processes to source material and organize manpower and hiring qualified professionals in areas like project management, architecture and engineering.

The growing flow of FDI into Indian real estate is encouraging increased transparency. Developers, in order to attract funding, have revamped their accounting and management systems to meet due diligence standards.

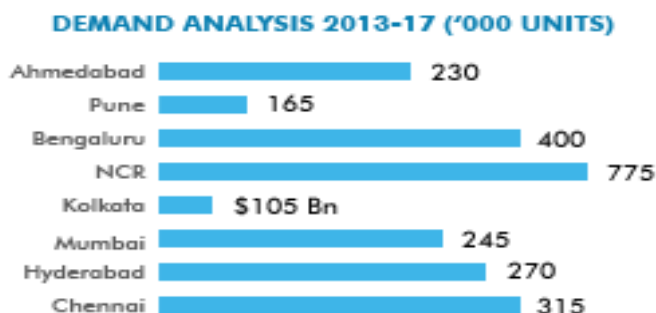
MARKET SIZE OF REAL ESTATE IN INDIA

The market size of real estate in India is expected to increase at a CAGR of 11.2 per cent during Financial Years 2008 - 2020.



DEMAND ANALYSIS OF TOP 8 CITIES ('000 UNITS)

Demand shall grow at a CAGR of 2 per cent over the period 2013-17 across top 8 cities in India including Bangalore.



Source: www.ibef.org

TRENDS IN THE INDIAN REAL ESTATE SECTOR AND THE INDUSTRY OUTLOOK 2015

In addition to being the second major contributor to the GDP, the Real Estate sector is also amongst the fastest growing sectors in the Indian Economy. Real Estate as a matter of fact has always been an attractive investment option and with the additional support of the new rules and regulations by the government, it has resulted in significant growth in the residential & commercial Real Estate. The government has always had a major influence on the Real Estate sentiments of the investor's and now with a stable government at centre; we are hopeful that the lost confidence shall be revived.

The markets of Mumbai, Bangalore and Delhi have seen increased investments and the good news is that the Indian realty sector has been one of the most emerging sectors out of all the developing economies. The year-end saw improvements in the investing patterns in Real Estate in India both in the

residential as well as the commercial Real Estate. With National and International brands wanting to expand in India, the commercial and retail Real Estate continues to be a favoured destination for all kinds of investors.

The rising income level of the people and with people of all age groups investing in Real Estate, the residential sector is also expected to grow significantly over the next decade. The market is witnessing an increased demand of luxury housing and overall also we can expect the market size of Real Estate in India see a significant growth as well as development.

MARKET OVERVIEW

The real estate sector is a key growth driver of the country's economy. The contribution of the residential segment alone to India's GDP is around 5 to 6 per cent.

- The real estate sector is one of the highest FDI-attracting sectors in India, with recorded FDI inflow of more than US\$ 8.9 billion (INR 403 billion) between April 2000 and September 2010.
- Favourable demographics (a young population and increasing urbanisation) and growth in the services sector, especially the IT & ITeS sector, have primarily driven growth in the real estate industry.
- DLF, Unitech, Ansal Properties, K. Raheja Corporation and Parsvnath Developers are among the major Indian players in the sector.
- In the last decade, FDI in real estate has increased due to the growing interest of foreign players in the Indian market. Over the last decade, many international players, including developers such as Emaar, Ascendas, Keppel Land, Tishman Speyer and Nakheel Group, and investors such as Morgan Stanley, Och-Ziff Capital, Citigroup, Goldman Sachs, JP Morgan, Warburg Pincus and Deutsche Bank, have entered the Indian real estate market.

Source: www.ibef.org

SUMMARY OF BUSINESS

Overview

Our Company Sri Krishna Constructions (India) Private Ltd. was incorporated in the year 2005 in the state of Karnataka with the objective of creating a corporate brand in its line of business of real estate development.

Our promoters come from diverse business background and with a view to leverage on the strength of the business experience of over a decade especially in marketing concepts and products joined hands to foray into the real estate business in the year 2003. To begin with, the promoters were involved in only marketing real estate projects. With the passage of time and the growth of business acquaintances, the promoters drawing inspirations from the successful marketing deliveries, surged into full-fledged real estate business venture. With the objective of making a corporate mark in the real estate industry, the promoters started with incorporation of private limited company “Sri Krishna Constructions (India) Pvt. Ltd.” in the year 2005.

Our promoters are amongst the prominent residential layout developers of Bangalore. The primary business of our company is the development of residential layouts / properties. The business operations comprise the identification / acquisition of land and development and marketing the land/ projects. The registered office of our Company is situated at No. 1, 4th Main, Sheshadripuram, Nehru Circle, Bangalore, Karnataka, India.

Our promoters are into development and sale of residential layouts. They have steadily built the real estate business since its inception in 2005. As on date of this Prospectus, the promoters have developed more than 20 Lakhs Sq. Ft of residential layouts spread across Bangalore. The promoters have already successfully executed 7 projects and are having 2 ongoing projects and 3 upcoming projects in Bangalore. Our Company has recently commenced diversification into construction of Villas and Apartments.

Our Company has demonstrated a prominent presence in execution of real estate projects and has developed significant expertise and competencies in this field. Our Company aims to leverage on its strengths and continue expansion into sector which will put our company to desired growth trajectory. Since the very beginning, our Company has demonstrated strong vision and its ability to capitalize and identify real estate opportunities. Our Company is currently focusing on opportunities to build a brand in Bangalore. The customers of our Company have been highly appreciative of the developmental activities carried out by our Company, particularly with regards to the speed of execution, flexibility and property management services.

Our promoters are amongst the prominent real estate developers. Our promoters enjoy reputation for pioneering concepts in the realty market and ethical practices.

Our promoters are one of the early movers in realty business in Bangalore to introduce the concept of “maintenance of land acquired by customers”. Under this concept, the promoters shall maintain the land purchased by the customers at minimum cost to enable the customers to maintain and enhance their land value over period of time.

Our Company has completed 7 projects and is in the process of completing another 2 projects and also has identified 3 upcoming projects.

The projects developed by us and completed are as follows:

| Sr. No. | Project Name | Location | Type of Contract | Year of Commencement | Year of Completion | Land Area (in Sq. ft) | Saleable Area (Sq.Ft) |
|---------|-------------------------------|--------------------------|--|----------------------|--------------------|-----------------------|-----------------------|
| 1. | Sri Krishna Gardens-Phase III | Kengeri , Mysore Road | Development & Marketing Rights | 2005 | 2006 | 3.71 Lakhs | 1.00 Lakh |
| 2. | Spring Gardens | Sarjapur – Attibele Road | Partially Owned & Development & Marketing Rights | 2006 | 2008 | 9.45 Lakhs | 5.19 Lakhs |
| 3. | Citadel | Jigani | Owned | 2009 | 2011 | 1.46 Lakhs | 0.80 Lakhs Sq Ft |
| 4. | Samruddhi Layout | Kengeri Satellite Town | Development & Marketing Rights | | 2010 | -- | 1.17 Lakhs |
| 5. | SKC White Meadows | Kengeri Satellite Town | Partially Owned & Development & Marketing Rights | 2012 | 2013 | 3.39 Lakhs | 1.86 Lakhs |
| 6. | SKC Greens | Kengeri Satellite Town | Owned | 2013 | 2014 | 1.28 Lakhs | 0.70 Lakhs |
| 7. | SKC Rainbow | Kambipura, Mysore Road | Owned | 2013 | 2015 | 2.34 Lakhs | 1.28 Lakhs |

The ongoing and upcoming projects to be developed are as follows

| Sr. No. | Project Name# | Location | Type of Contract | Status* | Year of Commencement | Estimated Completion | Land Area (in Sq. ft) | Estimated Saleable Area (Sq. Ft) |
|---------|---------------------|------------------------|--------------------------------|----------|----------------------|----------------------|-----------------------|----------------------------------|
| 1. | SKC Tulip | Kengeri Satellite Town | Construction Contract | Ongoing | January 2015 | June 2017 | 0.11 Lakhs | 0.35 Lakhs |
| 2. | SKC Royal the farms | Bidadi, Mysore Road | Development & Marketing Rights | Ongoing | January 2015 | December 2016 | 5.96 Lakhs | 4.17 Lakhs |
| 3. | SKC Rhythm-I | Kambipura, Mysore Road | Joint Development | Upcoming | August 2015 | March 2017 | 1.09 Lakhs | 1.00 Lakhs |
| 4. | SKC Rhythm-II | Kambipura, Mysore Road | Joint Development | Upcoming | September 2015 | April 2017 | 0.87 Lakhs | 0.80 Lakhs |
| 5. | SKC Rhythm-III | Kambipura, Mysore Road | Joint Development | Upcoming | October 2015 | May 2017 | 0.87 Lakhs | 0.80 Lakhs |

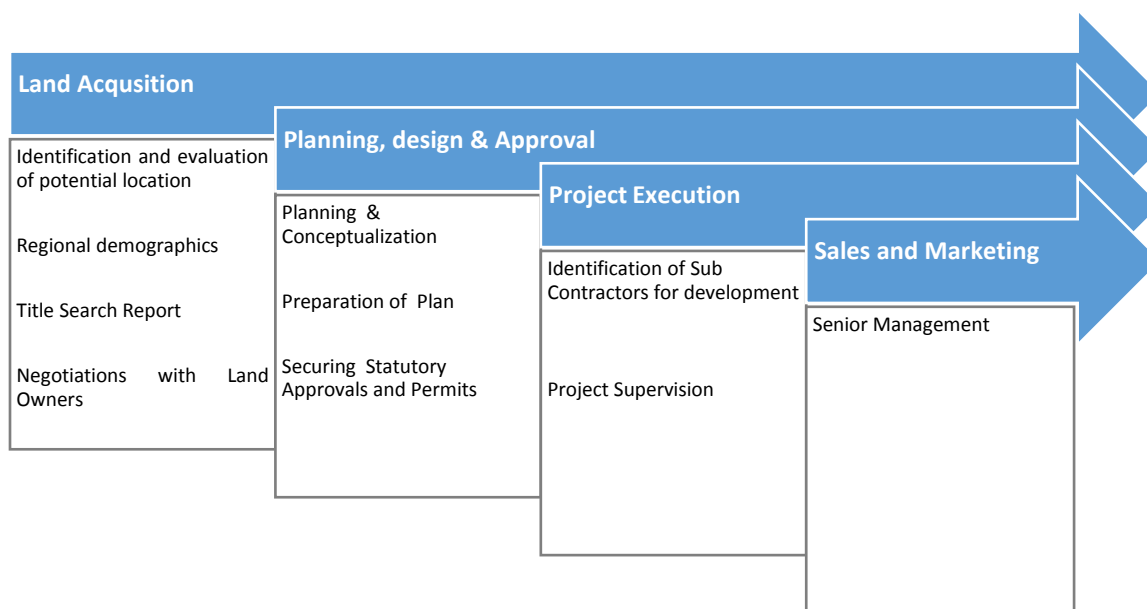


*Ongoing means where approvals have been received and development & marketing have started and Upcoming means where Plan Approval is pending but development right has been signed.

#Project names may be changed depending upon the marketing strategy of our company.

OUR KEY BUSINESS PROCESS:

The real estate development process can be broadly divided into the following distinct stages of activity:



Land acquisition/ Development Right Acquisition

The sustainability of our business is dependent on our land acquisition costs and on the availability of land for our business growth. Land costs have generally increased in the past years and we believe that this trend will continue in the future as well subject to general economic conditions and other factors. We acquire land from private parties after conducting due diligence & obtaining Title Clearance from renowned advocates in Bangalore. The cost of acquisition of land which includes the amounts paid for freehold rights, leasehold rights, registration, stamp duty etc. constitutes substantial part of our project cost. We are generally required to pay an advance at the time of executing transaction agreements with the remaining purchase price payable on completion of acquisition.

We also acquire the rights to develop plots/land through arrangement with other entities that owns the land or is in possession of land development rights. The entity is given the option, as consideration, to either share the sale proceeds or receive a portion of the developed/ built up area as may be mutually decided and agreed upon.

After identification of the potential development site, we undertake site visits and detailed analysis of the following factors, among others:

- Location, including surrounding development and landmarks and views;
- Size of the development site

- Land acquisition cost;
- Title searches and related legal due diligence;
- Market trends
- Regulatory issues

After conducting such analysis, our senior management makes the final decision with regard to the financial feasibility of the acquisition and the scope of the projects to be developed on the proposed site.

After a decision is made to proceed with the acquisition of land or land development rights, we take necessary steps to acquire the land or development rights. We enter into negotiations with the seller of land or land development rights in order to reach a preliminary acquisition agreement, usually memorialised in a memorandum of understanding. Once we have completed our preliminary due diligence on the land, we enter into final agreements to acquire the land.

We endeavour to obtain valid title to our land and development rights. Wherever possible, we obtain legal opinions that confirm our title to the land or development rights purchased from third parties. Please see the sections entitled “Risk Factors – ***Title insurance is not commercially available in India and we face uncertainty of title to our lands.***” of this Prospectus

Planning, design and approval

We have in-house design and project management which takes care of designing, planning, budgeting, contracting and tracking the execution of projects. In this phase, we make detailed specifications and drawings of the proposed project with the help of government approved surveyors, undertake necessary approvals and assess the resources required to complete the project. We retain responsibility for obtaining all necessary approvals and permits for each of our projects and have a team, whose function is to obtain approvals from government authorities. We also use external professionals, as necessary, to obtain such approvals and permits. We believe that real estate development is a localised business and detailed local knowledge is required for obtaining timely approvals. We work in close coordination with the government authorities and we believe that we have the requisite knowledge of the process and requirements for obtaining all necessary approvals in Bangalore.



Project Execution

We typically outsource the activities to be carried out for development of project while retaining the project management role. We believe that outsourcing enables us to leverage the expertise the services of our service providers thus enabling our management to focus on other critical aspects of our business. Outsourcing also helps to explore opportunities and expand our business horizon.

For construction and for the supply of labour and materials, we enter into service/supply orders with various service providers and suppliers. We are not dependent upon any single contractor, builder or supplier for our construction activities. We negotiate orders on an individual basis and do not have any tender or bidding process. We seek to ensure that our raw material requirements for each project are satisfied in a timely and cost-effective manner. We take great efforts to ensure that raw materials and other goods and services sourced from third-party vendors are delivered and paid for in a timely manner. Our management conducts regular site visits. We have developed a monthly internal reporting system to help ensure effective monitoring of the status of all of our projects at any given time. This has helped us to improve efficiency and reduce time and cost overruns.

Sales and Marketing

The efficiency of the marketing and sales network is critical success of our Company. Our sales efforts begin soon as possible after we have entered into an agreement to acquire land. Our marketing and research teams collaborate to design projects based on the demographics, socio-economic factors and market trends of the target group. We employ various marketing approaches like launch events, corporate presentations, internet marketing, direct and indirect marketing, site branding, newspaper advertisement, brochures etc.

OUR STRENGTHS



Prominent residential layout developers

Our promoters are amongst the prominent residential layout developers of Bangalore. Our primary business is the development of residential layouts/properties. Our Company has developed more than 20 Lakhs sq. ft of residential layouts spreading across Bangalore. Our Company is one of the prominent players in Mysore Road area. Our Company has successfully completed 7 projects and has 2 ongoing and 3 Upcoming projects in Bangalore.

Our development capabilities and strong execution skills

Our Company has demonstrated a strong track record in execution of real estate projects and has developed significant expertise and competencies in this field. Our Company aims to leverage its strengths to expand the real estate opportunities and grow the business at a significantly faster pace. Since the very beginning, our Company has demonstrated strong vision and ability to capitalize and identify real estate opportunities. Our Company is currently focusing on opportunities to build a brand in Bangalore. The customers of the Company have been highly appreciative of the developmental activities carried out by the group, particularly with regards to the speed of execution, flexibility and property management services.

Established business and reputation for project execution

Our Company are amongst the prominent real estate developers. Our Company enjoy the reputation for pioneering concepts in the realty market and adhering to ethical practices. Our Company is one of the early movers into the realty business to introduce the concept of “maintenance of land acquired by customers”. Under this concept, the Company shall maintain the land purchased by the customers at minimum cost to enable the customers to maintain and enhance their land value over period of time.

Experienced and dedicated management

Our Company have experienced and dedicated management team with an experience of over a decade. Because of the established brand name and reputation for project execution, they have been able to recruit high caliber employees. The employees are provided with competitive compensation packages and a corporate environment that encourages responsibility, autonomy and innovation. We believe that the experience of the management team and its in-depth understanding of the real estate market will enable us to continue to take advantage of both current and future market opportunities

Strategic locations of our projects

Our projects are strategically located. The projects are located in areas that are attractive and offer high growth potential

Marketing strategies

The core strength of the our company lies is its marketing strategies . A dedicated in-house team led by personnel with practical experiences in marketing concepts and strategies has provided the edge to compete successfully. Advertisements though being a substantial portion of the marketing activities, the maintenance of the PR with the customers appreciative of the group’s service offerings has carved the way for growing customer base through relationship network.



Good relationship with contractors, vendors and various other intermediaries

During the course of business, we interact with many intermediaries and having a good relationship with them helps us attain the timeline and solve other road blocks easily.

SUMMARY OF FINANCIAL STATEMENTS

The following summary of financial data has been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the Auditor's Report in the section titled "Financial Statements". You should read this financial data in conjunction with our financial statements for Financial Year 2012, 2013 and 2014 and 2015 including the notes thereto and the reports thereon, which appears under the section titled "Financial Statements" and chapter titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 171 and 195 of this Prospectus.

STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

Rs. in Lakhs

| Sr. No. | Particulars | As at March 31 | | | | |
|-----------|---|-----------------|-----------------|-----------------|-----------------|-----------------|
| | | 2015 | 2014 | 2013 | 2012 | 2011 |
| | EQUITY AND LIABILITIES | | | | | |
| 1) | <u>Shareholders Funds</u> | | | | | |
| | a. Share Capital | 200.00 | 200.00 | 200.00 | 200.00 | 200.00 |
| | b. Reserves & Surplus | 645.62 | 375.83 | 260.00 | 151.59 | 127.46 |
| 2) | Share Application Money Pending Allotment | - | 64.74 | 47.11 | 395.28 | 471.74 |
| 3) | <u>Non Current Liabilities</u> | | | | | |
| | a. Long Term Borrowings | 517.58 | 56.43 | 64.65 | - | - |
| | b. Other Long Term Liabilities | 21.45 | 69.52 | 117.59 | 165.66 | - |
| | c. Long Term Provisions | 148.82 | 146.56 | 142.89 | 136.47 | 135.05 |
| 4) | <u>Current Liabilities</u> | | | | | |
| | a. Short Term Borrowings | - | - | 26.15 | - | - |
| | b. Trade Payables | 1,099.30 | 521.30 | 272.30 | 9.28 | 38.20 |
| | c. Other Current Liabilities | 2,391.88 | 2,097.12 | 1,517.18 | 737.57 | 499.47 |
| | d. Short Term Provisions | 109.56 | 68.68 | 49.47 | 16.11 | 6.56 |
| | TOTAL (1+2+3+4) | 5,134.21 | 3,600.19 | 2,697.34 | 1,811.96 | 1,478.47 |
| | ASSETS | | | | | |
| 5) | <u>Non Current Assets</u> | | | | | |
| | a. Fixed Assets | | | | | |
| | i. Tangible Assets | 246.75 | 44.48 | 32.82 | 24.07 | 27.77 |
| | b. Deferred Tax Assets (Net) | 8.29 | 2.03 | 1.95 | 2.65 | 3.52 |
| | c. Long Term Loans & Advances | 0.06 | 0.06 | 0.06 | 125.90 | 125.06 |
| 6) | <u>Current Assets</u> | | | | | |
| | a. Inventories | 1,760.37 | 1,289.63 | 720.07 | 127.84 | 155.31 |
| | b. Trade Receivables | 249.12 | 208.52 | 180.12 | 196.86 | 28.53 |
| | c. Cash and Cash Equivalents | 168.51 | 185.01 | 38.77 | 35.78 | 34.11 |
| | d. Short Term Loans & Advances | 2,701.10 | 1,870.45 | 1,723.55 | 1,298.85 | 1,104.17 |
| | TOTAL (5+6) | 5,134.21 | 3,600.19 | 2,697.34 | 1,811.96 | 1,478.47 |

STATEMENT OF PROFIT AND LOSS AS RESTATED
Rs. in Lakhs

| Sr. No. | Particulars | As at March 31 | | | | |
|------------|---|-----------------|-----------------|-----------------|---------------|---------------|
| | | 2015 | 2014 | 2013 | 2012 | 2011 |
| A | INCOME | | | | | |
| | Revenue from Operations | 2,843.78 | 1,484.03 | 1,773.91 | 303.89 | 228.02 |
| | Other Income | 6.90 | 4.71 | 20.74 | 3.15 | 1.09 |
| | Total Income (A) | 2,850.68 | 1,488.73 | 1,794.65 | 307.04 | 229.11 |
| B | EXPENDITURE | | | | | |
| | Cost of Purchase and Development Expenses | 2,536.59 | 1,046.24 | 1,326.57 | 98.54 | 94.14 |
| | Changes in inventories of finished goods, traded goods and work-in-progress | (470.74) | (569.56) | (592.23) | 27.47 | 57.85 |
| | Employee benefit expenses | 154.21 | 126.58 | 191.58 | 32.05 | 33.52 |
| | Finance costs | 31.71 | 25.06 | 56.58 | 45.68 | 1.13 |
| | Depreciation and amortisation expense | 18.00 | 7.86 | 3.27 | 3.70 | 4.71 |
| | Other Expenses | 191.29 | 702.55 | 666.98 | 65.27 | 29.00 |
| | Total Expenses (B) | 2,461.05 | 1,338.73 | 1,652.76 | 272.70 | 220.36 |
| C | Profit before tax (A-B) | 389.63 | 150.00 | 141.89 | 34.33 | 8.75 |
| | Prior period items (Net) | - | - | - | - | - |
| | Profit before exceptional, extraordinary items and tax | 389.63 | 150.00 | 141.89 | 34.33 | 8.75 |
| | Exceptional items | 17.07 | - | - | - | - |
| D | Profit before tax | 372.56 | 150.00 | 141.89 | 34.33 | 8.75 |
| | Tax expense : | | | | | |
| | (i) Current tax | 109.03 | 34.25 | 32.78 | 9.33 | 6.18 |
| | (ii) Deferred tax | (6.26) | (0.08) | 0.70 | 0.87 | (1.63) |
| E | Total Tax Expense | 102.77 | 34.17 | 33.48 | 10.21 | 4.56 |
| F | Profit for the year (D-E) | 269.79 | 115.83 | 108.41 | 24.13 | 4.20 |

STATEMENT OF CASH FLOW AS RESTATED
Rs. in Lakhs

| Particulars | As at March 31 | | | | |
|---|-----------------|----------------|-----------------|-----------------|---------------|
| | 2015 | 2014 | 2013 | 2012 | 2011 |
| Cash flow from operating activities: | | | | | |
| Net Profit before tax as per Profit And Loss A/c | 389.63 | 150.00 | 141.89 | 34.33 | 8.75 |
| Adjusted for: | | | | | |
| Depreciation and Amortisation | 18.00 | 7.86 | 3.27 | 3.70 | 4.71 |
| Provision for gratuity | 1.13 | 4.88 | 6.27 | 1.63 | 3.98 |
| Provision for Property Tax | - | - | - | 0.53 | 2.07 |
| Loss on Sale of Fixed Asset | 17.07 | - | - | - | - |
| Interest and Finance Cost | 31.71 | 25.06 | 56.58 | 45.68 | 1.13 |
| Interest income | (6.90) | (1.18) | (0.29) | - | (1.09) |
| Operating Profit Before Working Capital Changes | 450.64 | 186.63 | 207.71 | 85.88 | 19.55 |
| Adjusted for (Increase)/ Decrease: | | | | | |
| Trade Receivables | (40.60) | (28.40) | 16.74 | (168.34) | (10.80) |
| Inventories | (470.74) | (569.56) | (592.23) | 27.47 | 57.85 |
| Loans and advances | (830.65) | (146.91) | (298.85) | (195.52) | (7.35) |
| Trade payables | 578.00 | 249.00 | 263.02 | (28.92) | (22.41) |
| Current Liabilities | 233.35 | 496.28 | 16.57 | 402.37 | (17.04) |
| Cash Generated From Operations Before Extra-Ordinary Items | (80.00) | 187.04 | (387.03) | 122.94 | 19.81 |
| Add:- Extra-Ordinary Items | - | - | - | - | - |
| Cash Generated From Operations | (80.00) | 187.04 | (387.03) | 122.94 | 19.81 |
| Direct Tax Paid | 67.03 | 15.52 | - | - | - |
| Net Cash Flow from/(used in) Operating Activities: (A) | (147.03) | 202.56 | (387.03) | 122.94 | 19.81 |
| Cash Flow From Investing Activities: | | | | | |
| Purchase of Fixed Assets | (234.51) | (19.52) | (11.94) | - | (0.20) |
| Sale of fixed assets | 0.35 | - | - | - | - |
| Interest Income | - | - | - | - | 1.09 |
| Net Cash Flow from/(used in) Investing Activities: (B) | (234.16) | (19.52) | (11.94) | - | 0.89 |
| Cash Flow from Financing Activities: | | | | | |
| Proceeds / (Repayment) of Share Application Money | (64.74) | 17.64 | 348.18 | (76.45) | (3.75) |
| Proceeds / (Repayment) of Borrowings (net) | 461.14 | (34.36) | 90.80 | - | - |
| Interest and Financial Charges | (31.71) | (20.07) | (37.01) | (44.82) | (0.26) |
| Net Cash Flow from/(used in) | 364.69 | (36.80) | 401.96 | (121.27) | (4.01) |

| Particulars | As at March 31 | | | | |
|--|----------------|---------------|--------------|--------------|--------------|
| | 2015 | 2014 | 2013 | 2012 | 2011 |
| Financing Activities (C) | | | | | |
| | | | | | |
| Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C) | (16.50) | 146.24 | 2.99 | 1.67 | 16.69 |
| Cash & Cash Equivalents As At Beginning of the Year | 185.01 | 38.77 | 35.78 | 34.11 | 17.42 |
| Cash & Cash Equivalents As At End of the Year | 168.51 | 185.01 | 38.77 | 35.78 | 34.11 |

THE ISSUE

The following table summarizes the Issue details:

| Particulars | Details of Equity Shares |
|--|--|
| Issue of Equity Shares by our Company | 25,20,000 Equity Shares of face value of Rs.10 each fully paid of the Company for cash at price of 45/- per Equity Share aggregating Rs. 1134.00 lakhs |
| Of which: | |
| Market Maker Reservation Portion | 1,32,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of 45/- per Equity Share aggregating Rs. 59.40 lakhs |
| Net Issue to the Public | 23,88,000 Equity Shares of face value of Rs.10 each fully paid of the Company for cash at price of 45/- per Equity Share aggregating 1074.60 lakhs |
| | Of which: |
| | 11,94,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of 45/- per Equity Share aggregating Rs. 537.30 lakhs will be available for allocation to investors up to Rs. 2.00 Lacs |
| | 11,94,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of 45/- per Equity Share aggregating Rs. 537.30 lakhs will be available for allocation to investors above Rs. 2.00 Lacs |
| Pre and Post Issue Equity Shares | |
| Equity Shares outstanding prior to the Issue | 70,00,000 Equity Shares |
| Equity Shares outstanding after the Issue | 95,20,000 Equity Shares |
| Use of Proceeds | For further details please refer chapter titled “ <i>Objects of the Issue</i> ” beginning on page 89 of this Prospectus for information on use of Issue Proceeds |

Notes

1. This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. The Issue is being made through the Fixed Price method and hence, as per regulation 43, sub regulation (4) of SEBI (ICDR) Regulations, at least 50% of the Net Issue to public will be available for allocation on a proportionate basis to Retail Individual Applicants, subject to valid Applications being received at the Issue Price. For further details please refer to section titled ‘*Issue Information*’ beginning on page 232 of this Prospectus.
2. The Issue has been authorized by the Board of Directors *vide* a resolution passed at its meeting held on June 22, 2015 and by the shareholders of our Company *vide* a special resolution passed pursuant to section 62(1)(c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting held on June 22, 2015.

For further details please refer to chapter titled “Issue Structure” beginning on page 238 of this Prospectus.

GENERAL INFORMATION

Our Company was incorporated as “Sri Krishna Constructions (India) Private Limited” in Bangalore, Karnataka as private limited company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated December 5, 2005 bearing Registration No. 037848 issued by Registrar of Companies, Karnataka, Bangalore. Subsequently our Company was converted into a public limited company vide a fresh Certificate of Incorporation dated June 29, 2015 and the name of our Company was changed to “Sri Krishna Constructions (India) Limited”. The Corporate Identity Number of our Company is U45201KA2005PLC037848.

For further details please refer to chapter titled “*Our History and Certain Other Corporate Matters*” beginning on page 141 of this Prospectus

REGISTERED OFFICE OF OUR COMPANY

Sri Krishna Constructions (India) Limited

No.1, 4th Main Road,
Nehru Circle Sheshadripuram,
Bangalore – 560020, Karnataka, India

Tel: 080 23318189

Fax : 080 23318189

Email: cs@skcipl.com

Website: www.skcipl.in

Registration Number: 037848

Corporate Identification Number: U45201KA2005PLC037848

REGISTRAR OF COMPANIES

Registrar of Companies, Bangalore

“E” wing, 2nd Floor, Kendriya Sadana
Kormangala, Bangalore – 560034

Website: www.mca.gov.in

DESIGNATED STOCK EXCHANGE

SME Platform of BSE

P. J. Towers, Dalal Street
Mumbai, Maharashtra, 400001

For details in relation to the changes to the name of our Company, please refer to the chapter titled, “*Our History and Certain Other Corporate Matters*” beginning on page 141 of this Prospectus.

BOARD OF DIRECTORS OF OUR COMPANY

| Sr. No. | Name | Age | DIN | Address | Designation |
|---------|------------------|-----|----------|---|------------------------------|
| 1. | Kailash Dubal | 39 | 01771805 | M-1104, Brigade Gateway, Dr. Rajkumar Road, Malleshwaram, Bangalore - 560055, Karnataka. | Chairman & Managing Director |
| 2. | Jignesh Dubal | 35 | 02210175 | Meadows 4, Good Earth Orchard, Doddaballe Road, Kengeri, Bangalore - 560060, Karnataka. | Director |
| 3. | Bhavika Dubal | 36 | 07169234 | M-1104, Brigade Gateway, Dr. Rajkumar Road, Malleshwaram, Bangalore - 560055, Karnataka. | Director |
| 4. | Sunil Surana | 37 | 01543337 | Room No. 8, 4th Cross, A M Lane, B/H B B Bakery, Chickpet Cross, Bangalore – 560053, Karnataka. | Non Executive Director |
| 5. | Mahesh Soneji | 64 | 00056456 | Flat 10,2nd Floor, Sion Sita Sadan, Plot 130 Jain Society, Sion West, Mumbai-400022 | Independent Director |
| 6. | Pradeepa Dansale | 51 | 07218972 | No 158, 2nd Cross Central Excise Layout Boopasandra, Bangalore, 560094, Karnataka. | Independent Director |
| 7. | Rashotham Devale | 61 | 07215799 | 251/GF-1, Block B Elegant Embassy 3, Halagevaderahalli, Rajarajeshwari Nagar, Bangalore – 560098, Karnataka. | Independent Director |
| 8. | Vivek Shah | 27 | 07215797 | No. 419, 10th Cross 17th Main, Near Venkateshwara Temple J P Nagar, 2nd Phase Bangalore South, J P Nagar, Bangalore – 560078, Karnataka, India. | Independent Director |

For further details of our Directors, please refer to the chapter titled “Our Management” beginning on page 145 of this Prospectus.



COMPANY SECRETARY & COMPLIANCE OFFICER

Barun Pandey

Sri Krishna Constructions (India) Limited

No.1, 4th Main Road,

Nehru Circle Sheshadripuram,

Bangalore – 560020, Karnataka, India

Tel: 080 23318189

Fax: 080 23318189

Email: cs@skcipl.in

Website: www.skcipl.in

CHIEF FINANCIAL OFFICER

Jignesh Dubal

Sri Krishna Constructions (India) Limited

No.1, 4th Main Road,

Nehru Circle Sheshadripuram,

Bangalore – 560020, Karnataka, India

Tel: 080 23318189

Fax : 080 23318189

Email: cfo@skcipl.in

Website: www.skcipl.in

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

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSB to whom the Application was submitted (at ASBA Locations), giving full details such as name, address of the applicant, number of Equity Shares applied for, Amount blocked, ASBA Account number and the Designated Branch of the relevant SCSBs to whom the Application was submitted (at ASBA Locations) where the ASBA Form was submitted by the ASBA Applicants.

STATUTORY AUDITOR

Suthar & Co.

No-4, 12th Cross, Vasanthnagar

Bangalore – 560052, Karnataka, India

Tel: +91 9986356420

Fax: NA

E-mail: berulalsuthar@icai.org

Contact Person: Mr. Berulal Suthar, Proprietor

Firm Registration No: 013840S

Membership No: 224990

PEER REVIEWED AUDITOR**M/s R. T. Jain & Co.**

2nd Floor, Lotus Building,
59, Mohammed Ali Road,
Mumbai-400003, Maharashtra, India

Tel: + 91 22 23465218

Fax: + 91 22 23464955

E-mail: info@rtjainandco.com

Contact Person: Mr. R. T. Jain

Firm Registration No: 103961W

Membership No: 139447

M/s R. T. Jain & Co., Chartered Accountants holds a peer reviewed certificate dated September 20, 2011 issued by the Institute of Chartered Accountants of India.

LEAD MANAGER**Pantomath Capital Advisors Private Limited**

108, Madhava Premises Co-Op Soc. Ltd.
Bandra Kurla Complex, Bandra East
Mumbai 400 051, Maharashtra, India

Tel: +91 22 26598687

Fax: + 91 22 26598690

Email: ipo@pantomathgroup.com

Website: www.pantomathgroup.com

Contact Person: Mr. Mahavir Lunawat

SEBI Registration No: INM000012110

REGISTRAR TO THE ISSUE**Bigshare Services Private Limited**

E/2, Ansa Industrial Estate, Sakivihar Road
Saki Naka, Andheri East,
Mumbai – 400072, Maharashtra, India

Tel: 022 40430200

Fax: 022 28475207

E-mail: ipo@bigshareonline.com

Contact Person: Mr. Babu Raphael

SEBI Registration No.: INR000001385

LEGAL ADVISOR TO THE ISSUE**Shradul Amarchand Mangaldas & Co**

Express Towers, 17th Floor, Nariman Point,
Mumbai 400021, Maharashtra, India

Tel: +91 022 49335555

Fax: +91 022 49335550

E-mail: jay.parikh@AMSSShradul.com

Contact Person: Mr. Jay Parikh

Website: www.AMSSShradul.com



BANKER TO THE COMPANY

Karnataka Bank Limited

Address No. 45/46, Nagappa Street
Sheshadripuram, Nehrunagar,
Bengalore – 560020, Karnataka, India

Tel: 080 22955882/883

Fax: 080 23561920

E-mail: blr.nehrunagar@ktnbank.com

Website: www.Karnatakabank.com

Contact Person: Mr. Shashanka B J

ESCROW COLLECTION BANK AND REFUND BANKER

ICICI Bank Limited

Capital Market Division, 1st Floor, 122
Mistry Bhavan, Dinshaw Vachha Road
Backbay Reclamation, Churchgate, Mumbai-400 020

Tel: (91) 022 22859932

Fax: (91) 022 22611138

Email: rishav.bagrecha@icicibank.com / ipocmg@icicibank.com

Contact Person: Mr. Rishav Bagrecha

Website: www.icicibank.com

SEBI Registration Number: INBI00000004

SELF CERTIFIED SYNDICATE BANKS

The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (ASBA) Process are provided on <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognition-Intermediaries>. For details on Designated Branches of SCSBs collecting the ASBA Bid Form, please refer to the above-mentioned SEBI link.

CREDIT RATING

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

IPO GRADING

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

APPRAISAL AND MONITORING AGENCY

As per regulation 16(1) of the SEBI ICDR Regulations, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs. 50,000 Lakhs. Since the Issue size is only of Rs. 1134.00 lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per the Clause 52 of the SME Listing Agreement to be entered into with BSE upon listing of the Equity Shares and the corporate governance requirements, *inter-alia*, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

INTER-SE ALLOCATION OF RESPONSIBILITIES

Since Pantomath Capital Advisors Private Limited is the sole Lead Manager to this Issue, a statement of inter se allocation of responsibilities among Lead Managers is not applicable.

EXPERT OPINION

Except the report of the Peer Reviewed Auditor on statement of tax benefits included in this Prospectus, our Company has not obtained any other expert opinion.

DEBENTURE TRUSTEE

Since this is not a debenture issue, appointment of debenture trustee is not required.

UNDERWRITER

Our Company and Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten. The underwriting agreement is dated July 02, 2015 and pursuant to the terms of the underwriting agreement; obligations of the underwriter are subject to certain conditions specified therein. The underwriter has indicated their intention to underwrite following number of specified securities being offered through this Issue.

| Name and Address of the Underwriters | Indicative Number of Equity shares to be Underwritten | Amount Underwritten (Rupees In Lakhs) | % of the Total Issue Size Underwritten |
|---|---|---------------------------------------|--|
| Pantomath Capital Advisors Private Limited 108, Madhava Premises Co-Op Soc. Ltd. Bandra Kurla Complex, Bandra East Mumbai 400051 Tel: 022 26598687 Fax: 022 26598690 Email: ipo@pantomathgroup.com Contact Person: Mr. Mahavir Lunawat SEBI Registration Number: INM000012110 | 25,20,000 | 1,134.00 | 100% |
| Total | 25,20,000 | 1,134.00 | 100% |

In the opinion of the Board of Directors of the Company, the resources of the above mentioned underwriter are sufficient to enable them to discharge their respective underwriting obligations in full.

DETAILS OF THE MARKET MAKING ARRANGEMENT

Our Company and the Lead Manager have entered into a tripartite agreement dated July 02, 2015 with the following Market Maker, duly registered with BSE Limited to fulfill the obligations of Market Making:

BCB Brokerage Private Limited

1207/A P J Towers, Dalal Street

Fort, Mumbai – 400 001

Tel: 022 22720000

Fax: 022 22722451

E-mail: marketmaker@bcbbrokerage.com

Contact Person: Uttam Bagri

SEBI Registration No.: INB011161131

Market Maker Registration No. (SME Segment of BSE): SMEMM0004218012012



BCB Brokerage Private Limited, registered with SME segment of BSE will act as the Market Maker and has agreed to receive or deliver of the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by any amendment to SEBI (ICDR) Regulations.

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI ICDR Regulations, as amended from time to time and the circulars issued by BSE and SEBI in 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 Rs. 1,00,000/-. However, the investors with holdings of value less than Rs. 1,00,000/- shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. Based on the IPO price of 45/- the minimum lot size is 3,000 Equity Shares thus minimum depth of the quote shall be Rs. 1.35 Lakhs/- until the same, would be revised by BSE.
3. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our Company reaches to 25% of Issue Size (including the 1,32,000 Equity Shares out to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% Equity Shares would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduce to 24% of Issue Size, the Market Maker will resume providing 2-way quotes.
4. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE may intimate the same to SEBI after due verification.
5. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
6. There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, BCB Brokerage Private Limited is acting as the sole Market Maker.
7. 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.
8. The Marker Maker may also be present in the opening call auction, but there is no obligation on him to do so.
9. 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.

10. The Market Maker(s) shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s).

In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker(s) 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. Further the Company and the Lead Manager reserve the right to appoint other Market Maker(s) 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 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our Corporate Office from 11.00 a.m. to 5.00 p.m. on working days.

11. BSE SME Exchange will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
12. 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(s) 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. SEBI Circular bearing reference no: CIR/MRD/DP/02/2012 dated January 20, 2012, has laid down that for issue size up to Rs. 25,000 Lakhs, the applicable price bands for the first day shall be:
- 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.
 - 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 (Trade for Trade) segment for first 10 days from commencement of trading. The following spread will be applicable on the BSE SME Platform:

| Sr. No. | Market Price Slab (in Rs.) | 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% |

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

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

The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and/or norms issued by SEBI/BSE from time to time.

CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of this Prospectus and after giving effect to the Issue is set forth below:

Amount (in Rs. Lacs except share data)

| No. | Particulars | Aggregate nominal value | Aggregate value at Issue Price |
|-----------|--|-------------------------|--------------------------------|
| A. | Authorised Share Capital | | |
| | 1,10,00,000 Equity Shares of face value of Rs. 10/- each | 1100.00 | - |
| B. | Issued, Subscribed and Paid-Up Share Capital before the Issue | | |
| | 70,00,000 Equity Shares of face value of Rs. 10/- each | 700.00 | - |
| C. | Present Issue in terms of this Prospectus | | |
| | Issue of 25,20,000 Equity Shares of face value Rs.10 each at a price of 45/- per Equity Share | 252.00 | 1134.00 |
| | Consisting : | | |
| | Reservation for Market Maker – 1,32,000 Equity Shares of face value of Rs. 10 each reserved as Market Maker portion at a price of 45/- per Equity Share | 13.20 | 59.40 |
| | Net Issue to the Public – 23,88,000 Equity Shares of face value of Rs. 10 each at a price of 45/- per Equity Share | 238.80 | 1074.60 |
| | Of the Net Issue to the Public | | |
| | Allocation to Retail Individual Investors – 11,94,000 Equity Shares of face value of Rs. 10 each at a price of 45/- per Equity Share shall be available for allocation for Investors applying for a value of upto Rs. 2 lacs | 119.40 | 537.30 |
| | Allocation to Other than Retail Individual Investors – 11,94,000 Equity Shares of face value of Rs. 10 each at a price of 45/- per Equity Share shall be available for allocation for Investors applying for a value of upto Rs. 2 lacs | 119.40 | 537.30 |
| D. | Issued, Subscribed and Paid-Up Share Capital after the Issue | | |
| | 95,20,000 Equity Shares of face value of Rs. 10 each | 952.00 | - |
| E. | Securities Premium Account | | |
| | Before the Issue | | Nil |
| | After the Issue | | 882.00 |

The Issue has been authorised by the Board of Directors vide a resolution passed at its meeting held on June 22, 2015, and by the shareholders of our Company vide a special resolution passed pursuant to section 62(1)(c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting held on June 22, 2015

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

NOTES TO THE CAPITAL STRUCTURE

1. Details of increase in authorized Share Capital:

Since the incorporation of our Company, the authorised share capital of our Company has been altered in the manner set forth below:

| Sr. No. | Date of AGM/EGM Resolution | Change in authorised share capital |
|---------|----------------------------|---|
| 1 | February 24, 2006 | The authorised share capital of Rs. 1,00,00,000 divided into 10,00,000 Equity Shares of Rs. 10 each. was increased to Rs. 2,00,00,000 divided into 10,00,000 Equity Shares of Rs. 10 each and 10,00,000 Preference Shares of Rs. 10 each. |
| 2 | June 16, 2015 | The authorised share capital of Rs. 2,00,00,000 divided into 10,00,000 Equity Shares of Rs. 10 each and 10,00,000 Preference Shares of Rs. 10 each. was increased to Rs. 11,00,00,000 divided into 1,00,00,000 Equity Shares of Rs. 10 each and 10,00,000 Preference Shares of Rs. 10 each. |
| 3 | June 18, 2015 | The authorised share capital of Rs. 11,00,00,000 divided into 1,00,00,000 Equity Shares of Rs. 10 each and 10,00,000 Preference Shares of Rs. 10 each was reclassified into Rs. 11,00,00,000 divided into 1,10,00,000 Equity Shares of Rs. 10 each. |

2. History of Equity Share Capital of our Company

| Date of Allotment / Fully Paid-up | No. of Equity Shares allotted | Face value (Rs.) | Issue Price (Rs.) | Nature of consideration | Nature of Allotment | Cumulative number of Equity Shares | Cumulative Paid -up Capital (Rs.) |
|-----------------------------------|-------------------------------|------------------|-------------------|-------------------------|---|------------------------------------|-----------------------------------|
| December 5, 2005 | 10,000 | 10 | 10 | Cash | Subscription to Memorandum of Association ⁽¹⁾ | 10,000 | 1,00,000 |
| June 7, 2006 | 9,90,000 | 10 | 10 | Cash | Further Allotment ⁽²⁾ | 10,00,000 | 1,00,00,000 |
| June 16, 2015 | 10,00,000 | 10 | 10 | Other than Cash | Conversion of Preference shares ⁽³⁾ | 20,00,000 | 2,00,00,000 |
| June 18, 2015 | 50,00,000 | 10 | NA | Other than Cash | Bonus Issue in the ratio of 5 Equity Shares for every 2 Shares held. ⁽⁴⁾ | 70,00,000 | 7,00,00,000 |

- (1) Initial Subscribers to Memorandum of Association subscribed 10,000 Equity Shares of face value of Rs. 10/- each fully paid at par as per the details given below:

| Sr. No. | Name of Person | No. of shares Allotted |
|---------|----------------|------------------------|
| 1. | Kailash Dubal | 5,000 |
| 2. | Rajshekhar K S | 5,000 |
| | Total | 10,000 |

- (2) Further Allotment of 9,90,000 Equity Shares of face value of Rs. 10/- each fully paid as per the details given below:

| Sr. No | Name of Person | No. of Shares Allotted |
|--------|----------------|------------------------|
| 1. | Kailash Dubal | 4,95,000 |
| 2. | Rajshekhar K S | 4,95,000 |
| | Total | 9,90,000 |

- (3) Conversion of 10,00,000 Preference Shares into Equity Shares of face value of Rs. 10/- each fully paid as per the details given below:

| Sr. No | Name of Person | No. of Shares Allotted |
|--------|----------------|------------------------|
| 1. | Kailash Dubal | 3,37,080 |
| 2. | Bhavika Dubal | 2,72,000 |
| 3. | Vaishali Dubal | 1,18,920 |
| 4. | Sunil Surana | 2,17,600 |
| 5. | Kantha Gowda | 54,400 |
| | Total | 10,00,000 |

- (4) Bonus Issue of 50,00,000 Equity Shares of face value of Rs. 10/- each in the ratio of 5 bonus shares for every 2 Equity shares held as per the details given below:

| Sr. No | Name of Person | No. of Shares Allotted |
|--------|------------------|------------------------|
| 1. | Kailash Dubal | 32,17,700 |
| 2. | Bhavika Dubal | 6,80,000 |
| 3. | Jignesh Dubal | 21,450 |
| 4. | Vaishali Dubal | 3,86,550 |
| 5. | Sunil Surana | 5,44,000 |
| 6. | Kantha Gowda | 1,36,000 |
| 7. | Narayan Srikanth | 14,300 |
| | Total | 50,00,000 |

3. History of Preference Share Capital of our Company

| Date of Allotment / Fully Paid-up | No. of Preference Shares allotted | Face value (Rs.) | Issue Price (Rs.) | Nature of consideration | Nature of Allotment | Cumulative number of Preference Shares | Cumulative Paid -up Capital (Rs.) |
|-----------------------------------|-----------------------------------|------------------|-------------------|-------------------------|----------------------------------|--|-----------------------------------|
| June 7, 2006 | 10,00,000 | 10 | 10 | Cash | Further Allotment ⁽¹⁾ | 10,00,000 | 1,00,00,000 |

- (1) Further Allotment of 10,00,000 Preference Shares of face value of Rs. 10/- each fully paid as per the details given below:

| Sr. No | Name of Person | No. of Shares Allotted |
|--------|------------------|------------------------|
| 1. | Venkat Rajendran | 7,50,000 |
| 2. | Kailash Dubal | 1,25,000 |
| 3. | Rajshekhar K S | 1,25,000 |
| | Total | 10,00,000 |

4. We have not issued any Equity Shares for consideration other than cash except as follows

| Date of Allotment | Number of Equity Shares | Face Value (Rs.) | Issue Price (Rs.) | Reasons for allotment | Allottees | No. of Shares Allotted |
|-------------------|-------------------------|------------------|-------------------|---------------------------------|----------------|------------------------|
| June 16, 2015 | 10,00,000 | 10 | NA | Conversion of Preference Shares | Kailash Dubal | 3,37,080 |
| | | | | | Bhavika Dubal | 2,72,000 |
| | | | | | Vaishali Dubal | 1,18,920 |
| | | | | | Sunil Surana | 2,17,600 |
| | | | | | Kantha Gowda | 54,400 |
| Total | | | | | | 10,00,000 |

| Date of Allotment | Number of Equity Shares | Face Value (Rs.) | Issue Price (Rs.) | Reasons for allotment | Allottees | No. of Shares Allotted |
|-------------------|-------------------------|------------------|-------------------|--|------------------|------------------------|
| June 18, 2015 | 50,00,000 | 10 | NA | Bonus Issue in the ratio of 5 Equity Shares for every 2 Equity Shares held | Kailash Dubal | 32,17,700 |
| | | | | | Bhavika Dubal | 6,80,000 |
| | | | | | Jignesh Dubal | 21,450 |
| | | | | | Vaishali Dubal | 3,86,550 |
| | | | | | Sunil Surana | 5,44,000 |
| | | | | | Kantha Gowda | 1,36,000 |
| | | | | | Narayan Srikanth | 14,300 |
| Total | | | | | | 50,00,000 |

5. No Equity Shares have been allotted pursuant to any scheme approved under Section 391-394 of the Companies Act, 1956.
6. We have not revalued its assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

7. We have not issued any shares at price below Issue Price within last one year from the date of this Prospectus except as follows:

| Date of Allotment | Number of Equity Shares | Face Value (Rs.) | Issue Price (Rs.) | Reasons for allotment | Allottees | No. of Shares Allotted |
|-------------------|-------------------------|------------------|-------------------|---------------------------------|----------------|------------------------|
| June 16, 2015 | 10,00,000 | 10 | NA | Conversion of Preference Shares | Kailash Dubal | 3,37,080 |
| | | | | | Bhavika Dubal | 2,72,000 |
| | | | | | Vaishali Dubal | 1,18,920 |
| | | | | | Sunil Surana | 2,17,600 |
| | | | | | Kantha Gowda | 54,400 |
| Total | | | | | | 10,00,000 |

| Date of Allotment | Number of Equity Shares | Face Value (Rs.) | Issue Price (Rs.) | Reasons for allotment | Allottees | No. of Shares Allotted |
|-------------------|-------------------------|------------------|-------------------|--|------------------|------------------------|
| June 18, 2015 | 50,00,000 | 10 | NA | Bonus Issue in the ratio of 5 Equity Shares for every 2 Equity Shares held | Kailash Dubal | 32,17,700 |
| | | | | | Bhavika Dubal | 6,80,000 |
| | | | | | Jignesh Dubal | 21,450 |
| | | | | | Vaishali Dubal | 3,86,550 |
| | | | | | Sunil Surana | 5,44,000 |
| | | | | | Kantha Gowda | 1,36,000 |
| | | | | | Narayan Srikanth | 14,300 |
| Total | | | | | | 50,00,000 |

8. Build-up of Promoters' shareholding, Promoters' contribution and lock-in

i. Build Up of Promoters' shareholdings

As on the date of this Prospectus, our Promoters Mr. Kailash Dubal and Mr. Jignesh Dubal hold 45,34,810 Equity Shares of our Company. None of the Equity Shares held by our Promoters are subject to any pledge.

a. Mr. Kailash Dubal

| Date of Allotment / Transfer | Type of Shares | No. of Equity/ Preference Shares | Face value per Share (Rs.) | Issue / Acquisition / Transfer price (Rs.)* | Nature of Transactions | Pre-issue shareholding % | Post-issue shareholding % | Lock-in Period | Source of funds | Pledge |
|------------------------------|--|----------------------------------|----------------------------|---|------------------------|--------------------------|---------------------------|----------------|------------------------|--------|
| December 5, 2005 | Equity | 5,000 | 10 | 10 | Subscription to MoA | 0.07 | 0.05 | 3 Years | Personal Income/Saving | No |
| June 7, 2006 | Equity | 4,95,000 | 10 | 10 | Cash | 7.07 | 5.20 | 3 Years | Personal Income/Saving | No |
| June 7, 2006 | Preference** | 1,25,000 | 10 | 10 | Cash | 1.79 | 1.31 | 1 Year | Personal Income/Saving | No |
| October 14, 2008 | Equity | 4,50,000 | 10 | 10 | Transfer | 6.43 | 4.73 | 3 Years | Personal Income/Saving | No |
| October 14, 2008 | Preference** | 1,25,000 | 10 | 10 | Transfer | 1.79 | 1.31 | 1 Year | Personal Income/Saving | No |
| June 16, 2015 | Preference** | 87,080 | 10 | 10 | Transfer | 1.24 | 0.91 | 1 Year | Personal Income/Saving | No |
| June 18, 2015 | Equity | 10,50,000 | 10 | NA | Bonus Issue | 15.00 | 11.03 | 3 Years | NA | No |
| June 18, 2015 | Equity | 13,25,000 | 10 | NA | Bonus Issue | 18.93 | 13.92 | 1 Year | NA | No |
| June 18, 2015 | Pursuant to conversion of Preference Shares into Equity Shares | 8,42,700 | 10 | NA | Bonus Issue | 12.04 | 8.85 | 1 Year | NA | No |
| Total | | 45,04,780 | | | | 64.35 | 47.32 | | | |

*Cost of acquisition excludes Stamp Duty and the shares were made fully paid on the date of allotment

*Shares were made fully paid up on the date of allotment

**All the Preference Shares are converted into Equity Shares, Currently company does not have any preference shares.

b. Jignesh Dubal

| Date of Allotment and made fully paid up/ Transfer | No. of Equity Shares | Face value per Share (Rs.) | Issue / Acquisition/Transfer price (Rs.)* | Nature of Transactions | Pre-issue shareholding % | Post- issue shareholding % | Lock-in Period | Source of funds | Pledge |
|--|----------------------|----------------------------|---|------------------------|--------------------------|----------------------------|----------------|------------------------------|--------|
| October 14, 2008 | 30,000 | 10 | 10 | Transfer | 0.43 | 0.32 | 1 Year | Cash Gift from Kailash Dubal | No |
| June 16, 2015 | (21,420) | 10 | 10 | Transfer | (0.30) | (0.22) | 1 Year | NA | No |
| June 18, 2015 | 21,450 | 10 | NA | Bonus Issue | 0.31 | 0.23 | 1 Year | NA | No |
| Total | 30,030 | | | | 0.43 | 0.32 | | | |

*Cost of acquisition excludes Stamp Duty and the shares were made fully paid on the date of allotment.

1. Income/Savings includes salary income, proceeds from sale of land and profits from business.

ii. Details of Promoter's Contribution locked in for three years:

Pursuant to Regulation 32 and 36 of SEBI ICDR Regulations, an aggregate of 20% of the post-Issue capital held by our Promoters' shall be considered as Promoters' Contribution ("Promoters Contribution") and locked-in for a period of three years from the date of Allotment. The lock-in of the Promoters' Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

Our Promoters' has given written consent to include such number of Equity Shares held by them and subscribed by them as a part of Promoter's Contribution constituting 21.01% of the post issue Equity Shares of our Company and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters Contribution, for a period of three years from the date of allotment in the Issue.

| Date of Allotment | No. of Shares Allotted/ Transferred | Face Value | Issue Price | Nature of Allotment | % of Post Issue shareholding | Lock in Period |
|----------------------|-------------------------------------|------------|-------------|---------------------|------------------------------|----------------|
| Kailash Dubal | | | | | | |
| December 05, 2005 | 5,000 | 10 | 10 | Subscription to MoA | 0.05 | 3 Years |
| June 07, 2006 | 4,95,000 | 10 | 10 | Further Allotment | 5.20 | 3 Years |
| October 14, 2008 | 4,50,000 | 10 | 10 | Transfer | 4.73 | 3 Years |
| June 18, 2015 | 10,50,000 | 10 | NA | Bonus Issue | 11.03 | 3 Years |
| Total | 20,00,000 | | | | 21.01 | |

*Equity Shares were fully paid up as on the date of allotment.

The minimum Promoters' contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as 'promoter' under the SEBI ICDR Regulations. The Equity Shares that are being locked in are not ineligible for computation of Promoter's contribution in terms of Regulation 33 of the SEBI ICDR Regulations. In Connection, we confirm the following:

- The Equity Shares offered for minimum 20% Promoters' contribution have not been acquired in the three years preceding the date of this Prospectus for consideration other than cash and revaluation of assets or capitalization of intangible assets nor resulted from a bonus issue out of the revaluation reserves or unrealized profits of the Company or against Equity Shares which are otherwise ineligible for computation of Promoters' contribution;
- The minimum Promoters' contribution does not include Equity Shares acquired during the one year preceding the date of this Prospectus at a price lower than the Issue Price ;
- Our Company has not been formed by the conversion of a partnership firm into a company and thus, no Equity Shares have been issued to our Promoters upon conversion of a partnership firm;
- The Equity Shares held by the Promoters and offered for minimum Promoters' contribution are not subject to any pledge;
- All the Equity Shares of our Company held by the Promoter are dematerialised ; and

- f) The Equity Shares offered for Promoter's contribution do not consist of Equity Shares for which specific written consent has not been obtained from the Promoter for inclusion of its subscription in the Promoter's contribution subject to lock-in.

iii. Details of Equity Shares locked-in for one year

Other than the above Equity Shares that are locked in for three years, the entire pre-Issue Equity Share capital of our Company shall be locked-in for a period of one year from the date of allotment in the Public Issue.

iv. Other requirements in respect of lock-in

Pursuant to Regulation 39 of the SEBI ICDR Regulations, the locked-in Equity Shares held by the Promoters, as specified above, can be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such scheduled commercial banks or public financial institution, provided that the pledge of the Equity Shares is one of the terms of the sanction of the loan.

Provided that securities locked in as Promoter's Contribution for 3 years under Regulation 36(a) of the SEBI ICDR Regulations may be pledged only if, in addition to fulfilling the above requirement, the loan has been granted by such scheduled commercial bank or public financial institution for the purpose of financing one or more of the objects of the Issue.

Further, pursuant to 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, along with the Equity Shares proposed to be transferred, provided that lock-in on such Equity Shares will continue for the remaining period with the transferee and such transferee shall not be eligible to transfer such Equity Shares till the lock-in period stipulated under the SEBI ICDR Regulations has ended, subject to compliance with the Takeover Code, as applicable

We further confirm that our Promoter's Contribution of 21.01% of the post Issue Equity Share capital does not include any contribution from Alternative Investment Fund.

9. Shares purchased/sold by the Promoter and Promoter Group, directors and their immediate relatives during last 6 months

| Date of Transaction | Name of Transacting Party | Party Category | Nature of Transactions | Price | Number of shares Transacted | Type of Shares |
|---------------------|---|-----------------------------|-------------------------|-------|-----------------------------|----------------|
| June 16, 2015 | Kailash Dubal | Promoter | Acquisition by Transfer | 10 | 87,080 | Preference* |
| June 16, 2015 | Bhavika Dubal | Promoter group | Acquisition by Transfer | 10 | 2,72,000 | Preference* |
| June 16, 2015 | Vaishali Dubal | Promoter Group | Acquisition by Transfer | 10 | 1,18,920 | Preference* |
| June 16, 2015 | Jignesh Dubal – (Transferor) Vaishali Dubal (Transferee) | Promoter and Promoter Group | Transfer | 10 | 21,420 | Equity |
| June 16, 2015 | Vaishali Dubal | Promoter Group | Transfer | 10 | 14,280 | Equity |
| June 18, 2015 | Kailash Dubal | Promoter | Bonus Issue | NA | 32,17,700 | Equity |

| | | | | | | |
|---------------|----------------|----------------|-------------|----|----------|--------|
| June 18, 2015 | Bhavika Dubal | Promoter Group | Bonus Issue | NA | 6,80,000 | Equity |
| June 18, 2015 | Jignesh Dubal | Promoter | Bonus Issue | NA | 21,450 | Equity |
| June 18, 2015 | Vaishali Dubal | Promoter Group | Bonus Issue | NA | 3,86,550 | Equity |

*Preference Shares were converted into Equity Shares on June 16, 2015. For further details please refer to chapter titled “*Capital Structure*” on page 71 of the Prospectus

10. Our Shareholding Pattern

The table below represents the shareholding pattern of our Company in accordance with clause 37 of the SME Equity Listing Agreement, as on the date of this Prospectus:

| Category Code | Category of shareholder | No. Of shareholders | Total numbers of shares | Number of shares held in dematerialized form | Total shareholding as a percentage of total number of shares | | Shares pledged or otherwise encumbered | |
|---------------|--|---------------------|-------------------------|--|--|----------------------------|--|-----------------|
| | | | | | As a percentage of (A+B) | As a percentage of (A+B+C) | Number of shares | As a Percentage |
| (I) | (II) | (III) | (IV) | (V) | (VI) | (VII) | (VIII) | (IX) |
| (A) | Promoter and Promoter Group | | | | | | | |
| 1 | Indian | | | | | | | |
| (a) | Individuals/Hindu Undivided Family | 4 | 60,27,980 | 60,27,980 | 86.11 | 86.11 | 0 | 0 |
| (b) | Central Government/State Government(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (c) | Bodies Corporate | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (d) | Financial Institutions/Banks | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (e) | Any other (Specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | SUB TOTAL (A)(1) | 4 | 60,27,980 | 60,27,980 | 86.11 | 86.11 | 0 | 0 |
| | | | | | | | | |
| 2 | Foreign | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

| Category Code | Category of shareholder | No. Of shareholders | Total numbers of shares | Number of shares held in dematerialized form | Total shareholding as a percentage of total number of shares | | Shares pledged or otherwise encumbered | |
|---------------|--|---------------------|-------------------------|--|--|----------------------------|--|-----------------|
| | | | | | As a percentage of (A+B) | As a percentage of (A+B+C) | Number of shares | As a Percentage |
| (I) | (II) | (III) | (IV) | (V) | (VI) | (VII) | (VIII) | (IX) |
| (a) | Individuals (Non-Resident Individuals/Foreign Individuals) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (b) | Bodies Corporate | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (c) | Institutions/FPI | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (d) | Any other (Specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | SUB TOTAL (A)(2) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2) | 4 | 60,27,980 | 60,27,980 | 86.11 | 86.11 | 0 | 0 |
| | | | | | | | | |
| (B) | Public shareholding | | | | | | | |
| 1 | Institutions | | | | | | | |
| (a) | Mutual Funds/UTI | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (b) | Financial Institutions/Banks | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (c) | Central Government/State Government(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (d) | Venture Capital Fund | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (e) | Insurance Companies | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

| Category Code | Category of shareholder | No. Of shareholders | Total numbers of shares | Number of shares held in dematerialized form | Total shareholding as a percentage of total number of shares | | Shares pledged or otherwise encumbered | |
|---------------|---|---------------------|-------------------------|--|--|----------------------------|--|-----------------|
| | | | | | As a percentage of (A+B) | As a percentage of (A+B+C) | Number of shares | As a Percentage |
| (I) | (II) | (III) | (IV) | (V) | (VI) | (VII) | (VIII) | (IX) |
| (f) | Foreign Portfolio Investors | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (g) | Foreign Venture Capital Investors | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (h) | Nominated Investors (as defined in Chapter XB of SEBI (ICDR) Regulations) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (i) | Market Makers | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (j) | Any other (Specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | SUB TOTAL (B) (1) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2 | Non-Institutions | | | | | | | |
| (a) | Bodies Corporate | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (b) | Individuals - | | | | | | | |
| | i) Individual shareholders holding nominal share Capital up to Rs.1 lakh | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh | 3 | 9,72,020 | 9,72,020 | 13.89 | 13.89 | 0 | 0 |

| Category Code | Category of shareholder | No. Of shareholders | Total numbers of shares | Number of shares held in dematerialized form | Total shareholding as a percentage of total number of shares | | Shares pledged or otherwise encumbered | |
|---------------|--|---------------------|-------------------------|--|--|----------------------------|--|-----------------|
| | | | | | As a percentage of (A+B) | As a percentage of (A+B+C) | Number of shares | As a Percentage |
| (I) | (II) | (III) | (IV) | (V) | (VI) | (VII) | (VIII) | (IX) |
| (c) | Any other (Specify) Individual (Non-Resident individuals) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | SUB TOTAL (B) (2) | 3 | 9,72,020 | 9,72,020 | 13.89 | 13.89 | 0 | 0 |
| | Total Public Shareholding (B)=(B)(1)+(B)(2) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | TOTAL (A)+(B) | 7 | 70,00,000 | 70,00,000 | 100.00 | 100.00 | 0 | 0 |
| (C) | Shares held by Custodians and against which Depository Receipts have been issued | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | GRAND TOTAL (A)+(B)+(C) | 7 | 70,00,000 | 70,00,000 | 100.00 | 100.00 | 0 | 0 |

In terms of SEBI circular bearing no. Cir/ISD/3/2011 dated June 17, 2011 and SEBI circular bearing no. SEBI/Cir/ISD/ 05 /2011, dated September 30, 2011, The Equity Shares held by the Promoter / members of the Promoter Group are dematerialised.

Our Company will file the shareholding pattern of our Company, in the form prescribed under clause 37 of the Listing Agreement, one day prior to the listing of Equity Shares. The shareholding pattern will be uploaded on the website of BSE before commencement of trading of such Equity Share

11. Following are the details of the holding of securities (including shares, warrants, convertible securities) of persons belonging to the category “Promoter and Promoter Group”:

| Sr. No. | Name of the Shareholder | Pre – Issue | | Post – Issue | |
|---------|-------------------------|----------------------|------------------------|----------------------|-------------------------|
| | | No. of Equity Shares | % of Pre-Issue Capital | No. of Equity Shares | % of Post-Issue Capital |
| (I) | (II) | (III) | (IV) | (V) | (VI) |
| | Promoter | | | | |
| 1 | Kailash Dubal | 45,04,780 | 64.35 | 45,04,780 | 47.32 |
| 2 | Jignesh Dubal | 30,030 | 0.43 | 30,030 | 0.32 |
| | Sub total (A) | 45,34,810 | 64.78 | 45,34,810 | 47.64 |
| | Promoter Group | | | | |
| 1 | Bhavika Dubal | 9,52,000 | 13.60 | 9,52,000 | 10.00 |
| 2 | Vaishali Dubal | 5,41,170 | 7.73 | 5,41,170 | 5.68 |
| | Sub total (B) | 14,93,170 | 21.33 | 14,93,170 | 15.68 |
| | Total (A+B) | 60,27,980 | 86.11 | 60,27,980 | 63.32 |

12. The average cost of acquisition of or subscription to Equity Shares by our Promoter is set forth in the table below:

| Name of the Promoter | No. of Shares held | Average cost of Acquisition (in Rs.) |
|----------------------|--------------------|--------------------------------------|
| Kailash Dubal | 45,04,780 | 2.86 |
| Jignesh Dubal | 30,030 | 2.86 |

13. No persons belonging to the category “Public” holds securities (including shares, warrants, convertible securities) of more than 1% of the total number of shares.

| Sr. No. | Name of the Shareholder | Pre – Issue | | Post – Issue | |
|---------|-------------------------|----------------------|------------------------|----------------------|-------------------------|
| | | No. of Equity Shares | % of Pre-Issue Capital | No. of Equity Shares | % of Post-Issue Capital |
| (I) | (II) | (III) | (IV) | (V) | (VI) |
| 1 | Sunil Surana | 7,61,600 | 10.88 | 7,61,600 | 8.00 |
| 2 | Kantha Gowda | 1,90,400 | 2.72 | 1,90,400 | 2.00 |
| | Total | 9,52,000 | 13.60 | 9,52,000 | 10.00 |

14. The lists of top 10 shareholders of our Company and the number of Equity Shares held by them as on the date of filing, ten days before the date of filing and two years before the date of filing of this Prospectus are set forth below:

a. Particulars of the top ten shareholders as on the date of filing this Prospectus:

| Sr. No. | Name of Shareholders | Number of Equity Shares | % of Total Paid-Up Capital |
|---------|----------------------|-------------------------|----------------------------|
| 1. | Kailash Dubal | 45,04,780 | 64.35 |
| 2. | Bhavika Dubal | 9,52,000 | 13.60 |
| 3. | Jignesh Dubal | 30,030 | 0.43 |
| 4. | Vaishali Dubal | 5,41,170 | 7.73 |
| 5. | Sunil Surana | 7,61,600 | 10.88 |
| 6. | Kantha Gowda | 1,90,400 | 2.72 |
| 7. | Narayan Srikanth | 20,020 | 0.29 |
| | Total | 70,00,000 | 100.00 |

b. Particulars of top ten shareholders ten days prior to the date of filing this Prospectus:

| Sr. No. | Name of Shareholders | Number of Equity Shares | % of Total Paid-Up Capital |
|---------|----------------------|-------------------------|----------------------------|
| 1. | Kailash Dubal | 45,04,780 | 64.35 |
| 2. | Bhavika Dubal | 9,52,000 | 13.60 |
| 3. | Jignesh Dubal | 30,030 | 0.43 |
| 4. | Vaishali Dubal | 5,41,170 | 7.73 |
| 5. | Sunil Surana | 7,61,600 | 10.88 |
| 6. | Kantha Gowda | 1,90,400 | 2.72 |
| 7. | Narayan Srikanth | 20,020 | 0.29 |
| | Total | 70,00,000 | 100.00 |

c. Particulars of the top ten shareholders two years prior to the date of filing of this Prospectus:

| Sl. No | Name | Number of Equity Shares | % of then existing Paid-Up Capital |
|--------|------------------|-------------------------|------------------------------------|
| 1. | Kailash D Dubal | 9,50,000 | 13.57 |
| 2. | Narayan Srikanth | 20,000 | 0.29 |
| 3. | Jignesh Dubal | 30,000 | 0.43 |
| | Total | 10,00,000 | 14.29 |

*Our Company had only 3 shareholders two years prior to the date of filing of this Prospectus

15. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Plan for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Plan from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
16. Neither the Lead Manager viz. Pantomath Capital Advisors Private Limited, nor their associates hold any Equity Shares of our Company as on the date of the Prospectus.
17. Under-subscription in the net issue, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the SME Platform of BSE.
18. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
19. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net offer to the public portion.
20. There are no Equity Shares against which depository receipts have been issued.
21. Other than the Equity Shares, there are is no other class of securities issued by our Company.
22. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, right issue or in any other manner during the period commencing from the date of the Prospectus until the Equity Shares have been listed. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the Issue, by way of split/consolidation of the denomination of Equity Shares. However our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or

any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company

23. None of the persons/entities comprising our Promoter Group, or our Directors or 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 any such entity/individual or otherwise during the period of six months immediately preceding the date of filing of this Prospectus.
24. Our Company, our Promoters, our Directors and the Lead Manager have not entered into any buy back or standby or similar arrangements for the purchase of Equity Shares being offered through the Issue from any person.
25. There are no safety net arrangements for this public issue.
26. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest multiple of minimum allotment lot, while finalising 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 our Promoters and subject to lock- in shall be suitably increased; so as to ensure that a minimum of 20% of the post Issue paid-up capital is locked in.
27. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 43 (4) of SEBI (ICDR) Regulations, as amended from time to time.
28. As on date of this Prospectus there are no outstanding warrants, options or rights to convert debentures loans or other financial instruments into our Equity Shares.
29. All the Equity Shares of our Company are fully paid up as on the date of the Prospectus. Further, since the entire issue price in respect of the Issue is payable on application, all the successful applicants will be issued fully paid-up equity shares and thus all shares offered through this issue shall be fully paid-up.
30. As per RBI regulations, OCBs are not allowed to participate in this Issue.
31. Our Company has not raised any bridge loans against the proceeds of the Issue.
32. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
33. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
34. 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.
35. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Issue.
36. We have 7 shareholders as on the date of filing of the Prospectus.
37. Our Promoters and the members of our Promoter Group will not participate in this Issue.
38. Our Company has not made any public issue since its incorporation.
39. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing the Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.



40. For the details of transactions by our Company with our Promoter Group, Group Companies for the financial years ended March 31, 2011, 2012, 2013, 2014 and 2015 please refer to paragraph titled “Details of Related Parties Transactions as Restated” in the chapter titled *‘Financial Statements as restated’* on page 171 of the Prospectus.

None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled *“Our Management”* beginning on page 145 of the Prospectus.

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OBJECTS OF THE ISSUE

Our Company proposes to utilize the funds which are being raised towards funding the following objects and achieve the benefits of listing on the SME platform of BSE.

The objects of the Issue are:

1. Acquisition of Land;
2. General Corporate Purpose;
3. Issue Expenses.

We believe that listing will enhance our Company's corporate image, brand name and create a public market for our Equity Shares in India.

The main objects and objects incidental and ancillary to the main objects set out in the Memorandum of Association enable the Company to undertake its existing activities and the activities for which funds are being raised by the Company through this Issue.

FUND REQUIREMENTS

The fund requirement and deployment is based on internal management estimates and our Company's current business plan and is subject to change in light of changes in external circumstances or costs, other financial conditions, business or strategy. These estimates have not been appraised by any bank or financial institution.

We may have to revise our expenditure and fund requirements as a result of variations in cost estimates on account of variety of factors such as incremental pre-operative expenses and external factors such which may not be within the control of our management and may entail rescheduling and revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure at the discretion of our management. In case of any surplus after utilization of the Net Proceeds for the stated objects, we may use such surplus towards general corporate purposes.

Means of Finance

The requirements of the objects detailed above are intended to be funded from the Proceeds of the Issue. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the proposed Issue.

Utilisation of Net Proceeds

We intend to utilize the Issue Proceeds, in the manner set forth below:

| Sr. No. | Particulars | Amount (Rs. in lacs) | Percentage of total Issue (%) |
|---------|---------------------------|----------------------|-------------------------------|
| 1. | Land Acquisition | 983.69 | 86.75 |
| 2. | General Corporate Purpose | 100.31 | 8.85 |
| 3. | Issue Expenses | 50.00 | 4.41 |
| | Total | 1134.00 | 100.00 |

****As on July 07, 2015, Company has incurred Rs. 5.61 Lakhs towards Issue Expenses.***

The above fund requirements are based on internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to revisions in light of changes in external circumstances or costs, or other financial condition, business or strategy, as discussed further below.



In case of variations in the actual utilisation of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue.

In addition, the fund requirements mentioned above are based on the current internal management estimates of the Company and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in light of changes in external circumstances or costs, or other financial condition, business or strategy. The Company operates in a highly competitive and dynamic market, and may have to revise its estimates from time to time on account of new projects that it may pursue including any industry consolidation initiatives, such as potential acquisition opportunities. The Company may also reallocate expenditure to newer projects or those with earlier completion dates in the case of delays in the Ongoing projects of the Company. Consequently, the fund requirements may also change. Any such change in the plans may require rescheduling of the expenditure programs, discontinuing projects currently planned and an increase or decrease in the expenditure for a particular project or land acquisition or land development rights in relation to current plans, at the discretion of the management of the Company.

Schedule of Implementation/Utilization of Net Proceeds

Our Company proposes to deploy the Net Proceeds in the aforesaid objects in the financial year 2015-16. In the event the estimated utilisation of the proceeds of the Issue in a Financial Year is not completely met, the same shall be utilised in the next Financial Year.

Details of Utilization of Issue Proceeds

- **Land Acquisition**

We are a real estate development company primarily operating in Bangalore, focused on Land developments and currently diversified into construction of Apartments and Villas. As a part of our business strategy, we continue to focus on acquiring land or land development rights for development in the near- to medium-term for developing new projects.

We have entered into Agreement to Sale dated June 24, 2015 with B. R Ashwatha Narayana and Memorandum of Understanding dated June 24, 2015 with The Asirvanam Benedictine Society for purchase of Land as per the details given below.

| Name of the Vendor | Schedule of Property | *Total Acquisition Amount (Rs. in Lakhs) | Amount already deployed (Rs. in Lakhs) | Amount to be deployed from IPO Proceeds (Rs. in Lakhs) |
|--|--|--|--|--|
| B. R. Ashwatha Narayana Address: 1096, 26 th B Main, 9tr, Block, Jaynagar, Bangalore, - 560069 | All that piece and parcel of land bearing Sy. No. 75, Karnblpura Village, Kengeri Hobli, Bangalore South Taluk, measuring to an extent of One Acre and which is duly converted from Agricultural Purposes to Non-Agricultural Residential purposes, vide conversion order No. ALN(S)SR(K)/49 I 2or2-13, dated 10/01/2or3, issued by the special Deputy commissioner, Bangalore District and bounded on East by: Sy. No. 76 | 389.09 | 10.00 | 379.09 |

| Name of the Vendor | Schedule of Property | *Total Acquisition Amount (Rs. in Lakhs) | Amount already deployed (Rs. in Lakhs) | Amount to be deployed from IPO Proceeds (Rs. in Lakhs) |
|--|--|--|--|--|
| | West by: Road, North by: Sy. No. 225, South by: Remaining portion of the same Sy. Number | | | |
| The Asirvanam Benedictine Society Address: office at Anchepalya, Kumbalgodu Post, Bangalore 560074, | All that piece and parcel of undeveloped land in Sy.No.225, measuring 2 Acres situated at Kambipura Village, Kengeri Hobli, Bangalore South Taluk, which is duly converted from Agricultural Purposes to Non-Agricultural Residential purposes, vide Official Memorandum dated 02.06.2011 bearing No. ALN(S)SR(Ken) 9111-12 issued by the Office of the District Commissioner, Bangalore, and bounded by: East by: Road West by: Private Property North by: Sy. No. 73. South by: Sy. No. 194 & Remaining Portion of Sy. No. 225 | 639.60 | 35.00 | 604.60 |
| Total | | 1028.69 | 45.00 | 983.69 |

**The above cost of acquisition is inclusive of Stamp Duty and Registration Charges*

We propose to finance the remaining acquisition cost of the above land from the net proceeds of the Issue. We intend to utilise the entire amount earmarked for the acquisition of land or land development rights in financial year 2015-2016.

Further In case of any unwanted delay or any condition precedent which are beyond the control of the Company or any contractual problems including force majeure in acquiring the said land; the Company may acquire any other land which the Board may deem fit which is beneficial to the Company as a whole.

In such case we may undertake new acquisition or development either directly, through subsidiaries or as a part of joint venture with other parties or in any other manner. We may also look at acquiring land holding companies as a means of acquiring land and/or land development rights. For a real estate company, such as us, land is the basic raw material and acquisition of attractive parcels of land or land development rights on a continuous basis is critical for the growth of our business. Opportunities to acquire attractive parcels of land and land development rights in Bangalore are limited. Availability of financial resources at the time of such acquisition opportunity is a big competitive advantage for any real estate developer. Further, after acquisition, land is developed by us over a period of time as the focus is on mixed use developments which have components of Apartments, Villas, residential, Club house, office space, retail and social infrastructure.

We propose to acquire land or land development rights primarily in Bangalore. Costs of acquiring land or land development rights will vary depending on various factors, such as, location of land in

prime areas or otherwise, profile of the population in the surrounding areas, type of project that can be developed, general economic conditions and the extent of negotiations between us and the parties from whom we propose to acquire land. Further, besides the purchase price payable for the acquisition of land, the cost of acquisition would include various other components, such as brokerage, cost of title searches, stamp duty, taxes, legal fees, cost of conversion of the status of land and the cost of obtaining approvals. Typically for the acquisition of land or land development rights, we are required to pay an advance at the time of executing transaction agreements, with the remaining purchase price due upon completion of the acquisition. We may acquire lands through an auction and prior to bidding in the auction, we may be required to pay a refundable deposit or earnest money. In certain cases, we may be required to furnish a bank guarantee for which we would be required to pay the applicable bank charges. The estimated costs described in this section include such advances, deposits and bank charges. All these elements would be a part of the cost of acquisition of land or land development rights. The process of acquisition of land or land development rights is a time consuming process which requires exhaustive set of diligence procedures to assess the title and is influenced by other factors. In the event we are unable to utilise the funds earmarked towards acquisition of land or land development rights by the end of Financial Year 2015-2016 or next financial year, we may, with the approval of the Board of Directors and Shareholders of the Company, utilise the earmarked funds towards financing the construction expenses of such of our ongoing or planned projects as may be determined by the Board of Directors.

We undertake that the land or land development rights proposed to be acquired from the proceeds of the Issue shall not be acquired from the Promoter, Promoter Group entities, Group Companies, affiliates or any other related parties.

- **General Corporate Purpose**

Our Company intends to deploy the balance Net Proceeds aggregating Rs. 100.31 Lacs, towards the general corporate purposes, including but not restricted to strategic initiatives, entering into strategic alliances, partnerships, joint ventures etc. and meeting exigencies and contingencies for projects, financing normal capital expenditure, expanding into new geographies, pre-operative expenses, brand building exercise, funding routine working capital, Constructing of Ongoing or Proposed Project and strengthening our marketing capabilities which our Company in the ordinary course of business may not foresee, or any other purposes as approved by our Board of Directors.

Our management, in response to the dynamic nature of our 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 Net Proceeds and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Net Proceeds. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes.

- **Issue Related Expenses**

The expenses for this Issue include issue management fees, underwriting fees, registrar fees, legal advisor fees, printing and distribution expenses, advertisement expenses, depository charges and listing fees to the Stock Exchange, among others. The total expenses for this Issue are estimated not to exceed Rs. 50.00 Lakhs.

| Expenses | Expenses (Rs. in Lakhs)* | Expenses (% of total Issue expenses) | Expenses (% of Issue size) |
|---|--------------------------------|---|----------------------------------|
| Payment to Merchant Banker including expenses towards printing, advertising, and payment to other intermediaries such as Registrars, Market Maker, Bankers etc. | 45.00 | 90.00% | 3.97% |
| Regulatory fees | 3.00 | 6.00% | 0.26% |
| Marketing and Other Expenses | 2.00 | 4.00% | 0.18% |
| Total estimated Issue expenses | 50.00 | 100% | 4.41% |

***As on July 07, 2015, Company has incurred Rs. 5.61 Lakhs towards Issue Expenses.**

BRIDGE FINANCING

We have not entered into any bridge finance arrangements that will be repaid from the Net Proceeds of the Issue. However, we may draw down such amounts, as may be required, from an overdraft arrangement / cash credit facility with our lenders, to finance additional working capital needs until the completion of the Issue. Any amount that is drawn down from the overdraft arrangement / cash credit facility during this period to finance additional working capital needs will be repaid from the Net Proceeds of the Issue.

DEPLOYMENT OF FUNDS

As estimated by our management, the entire proceeds from the Issue shall be utilized as follows:

(Rs. in Lakhs)

| Particulars | Total Funds required | Amount incurred till June 17, 2015 | Balance Deployment during FY 2015-16 |
|---------------------------|-------------------------|---------------------------------------|--|
| Land Acquisition | 983.69 | Nil | 983.69 |
| General Corporate Purpose | 100.31 | -- | 100.31 |
| Issue Expenses | 50.00 | 5.61 | 44.39 |
| Total | 1,134.00 | 5.61 | 1128.39 |

Suthar & Co. Chartered Accountants have *vide* certificate dated June 17, 2015, confirmed that as on June 17, 2015 following funds were deployed for the proposed Objects of the Issue:

(Rs. in Lakhs)

| Particulars | Estimated Amount |
|-------------------|------------------|
| Internal Accruals | 5.61 |
| Total | 5.61 |

Our management, in accordance with the policies set up by the Board, will have flexibility in deploying the Net Proceeds of the Issue.

APPRAISAL BY APPRAISING AGENCY

The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution.

INTERIM USE OF FUNDS

Net issue proceeds pending utilization for the objects of issue shall be deposited only in the 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.

MONITORING UTILIZATION OF FUNDS

As the Net Proceeds of the Issue will be less than Rs. 50,000 Lakhs, under the SEBI (ICDR) Regulations it is not mandatory for us to appoint a monitoring agency.

Our Board and the management will monitor the utilization of the Net Proceeds through its Audit Committee. Pursuant to Clause 52 of the SME Listing Agreement, our Company shall on half-yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement will be certified by the Statutory Auditors of our Company.

VARIATION IN OBJECTS

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

OTHER CONFIRMATIONS

No part of the Issue proceeds will be paid by our Company as consideration to the Promoters, the Directors, our key management personnel or the Group Companies, except in the ordinary course of business.

BASIS FOR ISSUE PRICE

The Issue Price of Rs. 45 per Equity Share has been determined by our Company, in consultation with the Lead Manager on the basis of the following qualitative and quantitative factors. The face value of the Equity Share is Rs. 10 and Issue Price is Rs. 45 per Equity Share and is 4.5 times the face value.

QUALITATIVE FACTORS

Some of the qualitative factors, which form the basis for computing the price are as under:

- **Strong and stable management team with proven ability**

We have experienced management team with established processes. We believe our management team has a long-term vision and has proven its ability to achieve long term growth of the Company. Our Promoter Kailash Dubal has more than a decade of experience and Jignesh Dubal has more than 7 years of experience in Real Estate Industry. We believe that the strength of our management team and their understanding of the real estate market will enable us to continue to take advantage of current and future market opportunities.

- **Development of Projects through Joint Development Model**

We utilize an outsourcing model that allows scalability and emphasizes quality construction. Our Management is well assisted by experienced project manager who oversees the functions of contractors. We also have strong and long-standing relationships with various contractors.

- **Cordial relations with our Customers and Contractors**

Our record has helped us to build strong relationships over a number of years with our customers as well as with our contractors, which allows us to repetitive order with our customers as well as efficient and timely execution of projects.

For further details, refer to heading '**Our Competitive Strengths**' under chapter titled "**Our Business**" beginning on page 122 of this Prospectus.

QUANTITATIVE FACTORS

The information presented below relating to the Company is based on the restated financial statements of the Company for Financial Year 2013, 2014 and 2015 prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

1. Basic and Diluted Earnings per Share (EPS) as per Accounting Standard 20

| Year ended | | EPS (Rs.) Pre Bonus | EPS (Rs.) Post Bonus | Weight |
|-------------------------|---------|---------------------|----------------------|--------|
| March 31, 2013 | Basic | 10.84 | 1.55 | 1 |
| | Diluted | 5.42 | | |
| March 31, 2014 | Basic | 11.58 | 1.65 | 2 |
| | Diluted | 5.79 | | |
| March 31, 2015 | Basic | 26.98 | 3.85 | 3 |
| | Diluted | 13.49 | | |
| Weighted Average | Basic | 19.16 | 2.74 | |
| | Diluted | 9.58 | | |

Note:

10,00,000 Convertible Preference Shares have been converted on June 16, 2015 and 50,00,000 Bonus Shares have been issued on June 18, 2015. The effect of the same have been taken into consideration while calculating Post Bonus EPS.

The earnings per share has been computed by dividing net profit as restated, attributable to equity shareholders by restated weighted average number of equity shares outstanding during the year. Restated weighted average number of equity shares has been computed as per AS 20. The face value of each Equity Share is Rs. 10/-.

2. Price to Earnings (P/E) ratio in relation to Issue Price of Rs. 45 per Equity Share of Rs. 10/- each.

| Particulars | Pre Bonus P/E Ratio | Post Bonus P/E Ratio |
|---|---------------------|----------------------|
| P/E ratio based on Basic EPS for FY 2014-15 | 1.67 | 11.68 |
| P/E ratio based on Diluted EPS for FY 2014-15 | 3.34 | 11.68 |
| P/E ratio based on Weighted Average Basic EPS | 2.35 | 16.44 |
| P/E ratio based on Weighted Average Diluted EPS | 4.70 | 16.44 |
| *Industry P/E | | |
| Highest | | 87.8 |
| Lowest | | 1.8 |
| Average | | 21.60 |

*Industry Source: Capital Market Volume XXX/10 July 06-19, 2015

3. Average Return on Net worth (RoNW)

Return on Net Worth ("RoNW") as per restated financial statements

| Year ended | RoNW (%) | Weight |
|-------------------------|--------------|--------|
| March 31, 2013 | 23.57 | 1 |
| March 31, 2014 | 20.12 | 2 |
| March 31, 2015 | 31.90 | 3 |
| Weighted Average | 26.59 | |

Note: The RoNW has been computed by dividing net profit after tax as restated, by Net Worth as at the end of the year excluding miscellaneous expenditure to the extent not written off. Convertible Preference Capital is included in the Networth only for this purpose.

4. Minimum Return on Total Net Worth post Issue needed to maintain Pre-Issue EPS (Diluted & Post Bonus) for the year ended March 31, 2015 is 18.53%.

5. Net Asset Value (NAV)

Amt. (Rs.)

| Particulars | Pre Bonus | Post Bonus |
|---|-----------|------------|
| Net Asset Value per Equity Share as of March 31, 2015 | 74.56 | 12.08 |
| Net Asset Value per Equity Share after the Issue | | 20.79 |
| Issue Price per equity share | | 45 |

NAV per equity share has been calculated as net worth as restated less preference Capital divided by number of equity shares.

6. Comparison with other listed companies

| Companies | CMP | EPS | PE Ratio | RONW % | NAV (Per Share) | Face Value | Sales (In Crores) |
|---|--------|-------|----------|--------|-----------------|------------|-------------------|
| Sri Krishna Constructions (India) Limited | 45 | 3.85 | 11.68 | 31.90 | 12.08 | 10 | 28.51 |
| Peer Group* | | | | | | | |
| Vijay Shanthi Builders Ltd. | 8.95 | 0.72 | 12.43 | 1.55 | 46.28 | 10 | 48.33 |
| Jet Infraventure Limited | 130.00 | 6.77 | 19.20 | 9.60 | 54.17 | 10 | 8.63 |
| Ajmera Realty & Infra India Limited | 136.60 | 6.25 | 21.86 | 5.99 | 104.33 | 10 | 143.92 |
| Arihant Superstructures Limited | 40.50 | 2.36 | 17.16 | 13.14 | 17.97 | 10 | 64.90 |
| Samruddhi Realty Limited | 34.00 | 2.19 | 15.53 | 14.03 | 14.37 | 10 | 51.45 |
| Sunteck Realty Limited | 274.00 | 11.86 | 23.10 | 12.88 | 92.13 | 2 | 101.94 |
| VKJ Infradevelopers Limited | 40.10 | 0.04 | 1002.50 | 0.39 | 14.52 | 10 | 5.44 |

* Source: www.bseindia.com

** CMP for our Company is considered at Issue Price

Notes:

- Considering the nature of business of the Company the peer are not strictly comparable. However same have been included for broad comparison.
- The figures for Sri Krishna Constructions (India) Limited are based on the restated results for the year ended March 31, 2015. Diluted EPS adjusting for Bonus Issue is used for calculation.
- The figures for the peer group are based on standalone audited results for the respective year ended March 31, 2015
- Current Market Price (CMP) is the closing prices of respective scripts as on July 03, 2015 or the Last Traded Closing Price before July 03, 2015.

The Issue Price of Rs. 45/- per Equity Share has been determined by the Company in consultation with the LM and is justified based on the above accounting ratios.

For further details see section titled “Risk Factors” beginning on page 16 and the financials of the Company including profitability and return ratios, as set out in the section titled “Financial Statements” beginning on page 171 of this Prospectus for a more informed view.



STATEMENT OF POSSIBLE TAX BENEFITS

To

The Board of Directors,
Sri Krishna Constructions (India) Limited
#1, 4th Main, Sheshadripuram,
Nehru Circle,
Bangalore – 560 020
Karnataka

Dear Sirs,

Sub: Statement of possible tax benefits available to the Company and its shareholders on proposed Public Issue of Shares under the existing tax laws

We hereby confirm that the enclosed annexure, prepared by the Management of Sri Krishna Constructions (India) Limited ('the Company'), states the possible tax benefits available to the Company and the shareholders of the Company under the Income - Tax Act, 1961 ('Act'), Wealth Tax Act, 1957, (abolished w.e.f 1st April, 2015) presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not fulfill.

The benefits discussed in the enclosed statement are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. A shareholder is advised to consult his/ her/ its own tax consultant with respect to the tax implications arising out of his/her/its participation in the proposed issue, particularly in view of ever changing tax laws in India.

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

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

The contents of this 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 and the provisions of the tax laws. The same shall be subject to notes to this annexure.

*No assurance is given that the revenue authorities / courts will concur with the views expressed herein. The views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We would not assume responsibility to update the view, consequence to such change.

We shall not be liable to Sri Krishna Constructions (India) Limited for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith of intentional misconduct.

For R T Jain & Co.
Chartered Accountants
Firm Registration No.103961W

(CA Bankim Jain)
Partner
Membership No. 139447
Place :Mumbai
Date: July 02, 2015



ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO SRI KRISHNA CONSTRUCTIONS (INDIA) LIMITED AND ITS SHAREHOLDERS

Outlined below are the possible benefits available to the Company and its shareholders under the current direct tax laws in India for the Financial Year 2014-15.

BENEFITS TO THE COMPANY UNDER THE INCOME TAX ACT, 1961 (THE “ACT”)

1. *Special Tax benefits*

The Company will be entitled to claim exemption for agricultural income under section 10(1) of the Act subject to the fulfillment of the conditions mentioned therein.

2. *General tax benefits*

A. *Dividends*

As per provisions of Section 10(34) read with Section 115-O of the Act, dividend (both interim and final), if any, received by the Company on its investments in shares of another Domestic Company is exempt from tax. Such dividend is to be excluded while computing Minimum Alternate Tax (MAT) liability.

The Company distributing dividend to its shareholders will be liable to pay dividend distribution tax at the rate of 15% (plus a surcharge of 10% on the dividend distribution tax and education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax and surcharge thereon) on the total amount distributed as dividend.

However, effective from 1st October, 2014 dividend distribution tax would be paid after grossing up the net distributed profits by the company.

As per the provisions of Section 115BBD of the Act, dividend received by Indian company from a specified foreign company (in which it has shareholding of 26% or more) would be taxable at the concessional rate of 15% on gross basis (plus surcharge and education cess).

B. *Buy Back of Shares*

As per section 115QA of the Act, an Indian unlisted company will have to pay 20% tax on ‘distributed income’ on buyback of shares. Distributed income has been defined to mean consideration paid by the Indian unlisted company for purchase of its own shares as reduced by the amount which was received by the Indian unlisted company at the time of issue of such shares. The said provision has come into effect from June 1, 2013.

Such tax is payable by the company notwithstanding that no income tax is payable on its total income. No deduction shall be allowed to the company or shareholder in respect of the income which has been subject to such distribution tax or the tax thereon.

C. *Business Income*

The Company is entitled to claim depreciation on specified tangible and intangible assets owned by it and used for the purpose of its business as per provisions of Section 32 of the Act. Business losses, if any, for an assessment year can be carried forward and set off against business profits for eight subsequent years. Unabsorbed depreciation, if any, for an assessment year can be carried forward and set off against any source of income in subsequent years as per provisions of Section 32 of the Act.

D. MAT Credit

- As per provisions of Section 115JAA of the Act, the Company is eligible to claim credit for Minimum Alternate Tax ('MAT') paid for any assessment year commencing on or after April 1, 2006 against normal income-tax payable in subsequent assessment years.
- As per Section 115JB, Minimum Alternate Tax ("MAT") is payable @18.5% of the Book profits computed in accordance with the provisions of this section, where income-tax computed under the normal provisions of the Act is less than 18.5% of the Book profits as computed under the said section. A surcharge on income tax of 5% would be levied if the total income exceeds Rs.100 Lakhs but does not exceed Rs 1000 Lakhs. A surcharge at the rate of 10% would be levied if the total income exceeds Rs 1000 Lakhs. Education cess of 2% and Secondary Higher Education cess of 1% is levied on the amount of tax and surcharge.
- MAT credit shall be allowed for any assessment year to the extent of difference between the tax payable as per the normal provisions of the Act and the tax paid under Section 115JB for that assessment year. Such MAT credit is available for set-off up to ten years succeeding the assessment year in which the MAT credit arises.

E. Capital Gains

(i) Computation of capital gains

- Capital assets are to be categorized into short - term capital assets and long – term capital assets based on the period of holding. All capital assets, being shares held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under section 10(23D) of the Act or a zero coupon bond, held by an assessee for more than twelve months are considered to be long - term capital assets, capital gains arising from the transfer of which are termed as long - term capital gains ('LTCG'). In respect of any other capital assets, the holding period should exceed thirty - six months to be considered as long - term capital assets.
- Short - term capital gains ('STCG') means capital gains arising from the transfer of capital asset being a share held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under clause (23D) of Section 10 or a zero coupon bonds, held by an assessee for twelve months or less.
- In respect of any other capital assets, STCG means capital gains arising from the transfer of an asset, held by an assessee for thirty six months or less.
- LTCG arising on transfer of equity shares of a Company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D) is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to securities transaction tax (STT) and subject to conditions specified in that section.
- Income by way of LTCG exempt under Section 10(38) of the Act is to be taken into account while determining book profits in accordance with provisions of Section 115JB of the Act.
- As per provisions of Section 48 of the Act, LTCG arising on transfer of capital assets, other than bonds and debentures (excluding capital indexed bonds issued by the Government) and depreciable assets, is computed by deducting the indexed cost of acquisition and indexed cost of improvement from the full value of consideration.

- As per provisions of Section 112 of the Act, LTCG not exempt under Section 10(38) of the Act are subject to tax at the rate of 20% with indexation benefits. However, if such tax payable on transfer of listed securities or units or zero coupon bonds exceed 10% of the LTCG (without indexation benefit), the excess tax shall be ignored for the purpose of computing the tax payable by the assessee.
- As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), are subject to tax at the rate of 15% provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income.
- STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D), where such transaction is not chargeable to STT is taxable at the rate of 30%.
- As per provisions of Section 71 read with Section 74 of the Act, short - term capital loss arising during a year is allowed to be set-off against short - term as well as long - term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent eight assessment years.
- As per provisions of Section 71 read with Section 74 of the Act, long - term capital loss arising during a year is allowed to be set-off only against long - term capital gains. Balance loss, if any, shall be carried forward and set-off against long - term capital gains arising during subsequent eight assessment years.

(ii) Exemption of capital gains from income – tax

- Under Section 54EC of the Act, capital gain arising from transfer of long – term capital assets [other than those exempt u/s 10(38)] shall be exempt from tax, subject to the conditions and to the extent specified therein, if the capital gain are invested within a period of six months from the date of transfer in the bonds redeemable after three years and issued by -:
 1. National Highway Authority of India (NHAI) constituted under Section 3 of National Highway Authority of India Act, 1988; and
 2. Rural Electrification Corporation Limited (REC), a company formed and registered under the Companies Act, 1956.
- Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long term asset cannot exceed Rs 50,00,000 per assessee during any financial year.
- Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted is taxable as capital gains in the year of transfer / conversion.
- As per provision of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.
- The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.

F. Securities Transaction Tax

As per provisions of Section 36(1) (xv) of the Act, STT paid in respect of the taxable securities transactions entered into in the course of the business is allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head 'Profit and gains of business or profession'. Where such deduction is claimed, no further deduction in respect of the said amount is allowed while determining the income chargeable to tax as capital gains.

BENEFITS TO THE RESIDENT MEMBERS / SHAREHOLDERS OF THE COMPANY UNDER THE ACT

A. Dividends exempt under section 10(34) of the Act

As per the provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received by the resident members / shareholders from the Company is exempt from tax. The Company distributing the dividend will be liable to pay dividend distribution tax at the rate of 15% (plus a surcharge of 10% on the dividend distribution tax and education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax and surcharge thereon) on the total amount distributed as dividend.

However, effective from 1st October, 2014 dividend distribution tax would be paid after grossing up the net distributed profits by the company.

B. Capital Gains

(i) Computation of capital gains

- Capital assets are to be categorized into short - term capital assets and long - term capital assets based on the period of holding. All capital assets, being shares held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under section 10(23D) of the Act or a zero coupon bond, held by an assessee for more than twelve months are considered to be long - term capital assets, capital gains arising from the transfer of which are termed as LTCG. In respect of any other capital assets, the holding period should exceed thirty – six months to be considered as long - term capital assets.
- STCG means capital gains arising from the transfer of capital asset being a share held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under clause (23D) of Section 10 or a zero coupon bonds, held by an assessee for twelve months or less.
- In respect of any other capital assets, STCG means capital gain arising from the transfer of an asset, held by an assessee for thirty six months or less.
- LTCG arising on transfer of equity shares of a Company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)) is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to STT and subject to conditions specified in that section.
- As per first proviso to Section 48 of the Act, the capital gains arising on transfer of share of an Indian Company need to be computed by converting the cost of acquisition, expenditure incurred in connection with such transfer and full value of the consideration receiving or accruing as a result of the transfer, into the same foreign currency in which the shares were originally purchased. The resultant gains thereafter need to be reconverted into Indian currency. The conversion needs to be at the prescribed rates

prevailing on dates stipulated. Further, the benefit of indexation as provided in second proviso to Section 48 is not available to non-resident shareholders.

- As per provisions of Section 112 of the Act, LTCG not exempt under Section 10(38) of the Act are subject to tax at the rate of 20% (plus applicable surcharge and cess) with indexation benefits. However, if such tax payable on transfer of listed securities or units or zero coupon bonds exceed 10% of the LTCG (without indexation benefit), the excess tax shall be ignored for the purpose of computing the tax payable by the assessee. As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), are subject to tax at the rate of 15% (plus applicable surcharge and cess) provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income.
- STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), where such transaction is not chargeable to STT is taxable at the rate of 30%.
- As per provisions of Section 71 read with Section 74 of the Act, short - term capital loss arising during a year is allowed to be set-off against short - term as well as long – term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent eight assessment years.
- As per provisions of Section 71 read with Section 74 of the Act, long - term capital loss arising during a year is allowed to be set-off only against long - term capital gains. Balance loss, if any, shall be carried forward and set-off against long - term capital gains arising during subsequent 8 assessment years.

(ii) Exemption of capital gains arising from income – tax

- As per Section 54EC of the Act, capital gains arising from the transfer of a long – term capital asset are exempt from capital gains tax if such capital gains are invested within a period of six months after the date of such transfer in specified bonds issued by NHAI and REC and subject to the conditions specified therein.
- Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long - term asset cannot exceed Rs 5,000,000 per assessee during any financial year.
- Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted is taxable as capital gains in the year of transfer / conversion.
- As per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.
- The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.
- In addition to the same, some benefits are also available to a resident shareholder being an individual or Hindu Undivided Family ('HUF').
- As per provisions of Section 54F of the Act, LTCG arising from transfer of shares is exempt from tax if the net consideration from such transfer is utilized within a period of one year before, or two years after the date of transfer, for purchase of a new residential house, or for construction of residential house within three years from the date of transfer and subject to conditions and to the extent specified therein.

C. Tax Treaty Benefits

As per provisions of Section 90 (2) of the Act, non-resident shareholders can opt to be taxed in India as per the provisions of the Act or the double taxation avoidance agreement entered into by the Government of India with the country of residence of the non-resident shareholder, whichever is more beneficial.

D. Non-Resident Taxation

Special provisions in case of Non-Resident Indian ('NRI') in respect of income / LTCG from specified foreign exchange assets under Chapter XII-A of the Act are as follows:

- NRI means a citizen of India or a person of Indian origin who is not a resident. A person is deemed to be of Indian origin if he, or either of his parents or any of his grandparents, were born in undivided India.
- Specified foreign exchange assets include shares of an Indian company which are acquired / purchased / subscribed by NRI in convertible foreign exchange.
- As per provisions of Section 115E of the Act, LTCG arising to a NRI from transfer of specified foreign exchange assets is taxable at the rate of 10% (plus education cess and secondary & higher education cess of 2% and 1% respectively).
- As per provisions of Section 115E of the Act, income (other than dividend which is exempt under Section 10(34)) from investments and LTCG (other than gain exempt under Section 10(38)) from assets (other than specified foreign exchange assets) arising to a NRI is taxable at the rate of 20% (education cess and secondary & higher education cess of 2% and 1% respectively). No deduction is allowed from such income in respect of any expenditure or allowance or deductions under Chapter VI-A of the Act.
- As per provisions of Section 115F of the Act, LTCG arising to a NRI on transfer of a foreign exchange asset is exempt from tax if the net consideration from such transfer is invested in the specified assets or savings certificates within six months from the date of such transfer, subject to the extent and conditions specified in that section.
- As per provisions of Section 115G of the Act, where the total income of a NRI consists only of income / LTCG from such foreign exchange asset / specified asset and tax thereon has been deducted at source in accordance with the Act, the NRI is not required to file a return of income.
- As per provisions of Section 115H of the Act, where a person who is a NRI in any previous year, becomes assessable as a resident in India in respect of the total income of any subsequent year, he / she may furnish a declaration in writing to the assessing officer, along with his / her return of income under Section 139 of the Act for the assessment year in which he / she is first assessable as a resident, to the effect that the provisions of the Chapter XII-A shall continue to apply to him / her in relation to investment income derived from the specified assets for that year and subsequent years until such assets are transferred or converted into money.
- As per provisions of Section 115I of the Act, a NRI can opt not to be governed by the provisions of Chapter XII-A for any assessment year by furnishing return of income for that assessment year under Section 139 of the Act, declaring therein that the provisions of the chapter shall not apply for that assessment year. In such a situation, the other provisions of the Act shall be applicable while determining the taxable income and tax liability arising thereon.

BENEFITS AVAILABLE TO FOREIGN INSTITUTIONAL INVESTORS ('FIIS') UNDER THE ACT

A. Dividends exempt under section 10(34) of the Act

As per provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received by a shareholder from a domestic Company is exempt from tax. The Company distributing the dividend will be liable to pay dividend distribution tax at the rate of 15% (plus a surcharge of 10% on the dividend distribution tax and education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax and surcharge thereon) on the total amount distributed as dividend.

However, effective from 1st October, 2014 dividend distribution tax would be paid after grossing up the net distributed profits by the company.

B. Long – Term Capital Gains exempt under section 10(38) of the Act

- LTCG arising on sale equity shares of a company subjected to STT is exempt from tax as per provisions of Section 10(38) of the Act. It is pertinent to note that as per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.
- It is pertinent to note that as per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.

C. Capital Gains

- 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 than units referred to in Section 115AB & certain securities & government Bonds as mentioned in section 194LD) is taxable at the rate of 20% (plus applicable surcharge and education cess and secondary & higher education cess). No deduction is allowed from such income in respect of any expenditure or allowance or deductions under Chapter VI-A of the Act. Interest on certain securities & government bonds as mentioned in section 194LD is taxable @5% only.
- As per provisions of Section 115AD of the Act, capital gains arising from transfer of securities is taxable as follows:

| Nature of income | Rate of tax (%) |
|--|-----------------|
| LTCG on sale of equity shares not subjected to STT | 10% |
| STCG on sale of equity shares subjected to STT | 15% |
| STCG on sale of equity shares not subjected to STT | 30% |

- For corporate FIIs, the tax rates mentioned above stands increased by surcharge (as applicable) where the taxable income exceeds Rs. 10,000,000. Further, education cess and secondary and higher education cess on the total income at the rate of 2% and 1% respectively is payable by all categories of FIIs.
- The benefit of exemption under Section 54EC of the Act mentioned above in case of the Company is also available to FIIs.

D. Securities Transaction Tax

As per provisions of Section 36(1)(xv) of the Act, STT paid in respect of the taxable securities transactions entered into in the course of the business is allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head 'Profit and gains of business or profession'. Where such deduction is claimed, no further deduction in respect of the said amount is allowed while determining the income chargeable to tax as capital gains

E. Tax Treaty benefits

- As per provisions of Section 90(2) of the Act, FIIs can opt to be taxed in India as per the provisions of the Act or the double taxation avoidance agreement entered into by the Government of India with the country of residence of the FII, whichever is more beneficial to them.
- The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors

BENEFITS AVAILABLE TO MUTUAL FUNDS UNDER THE ACT

a) Dividend income

Dividend income, if any, received by the shareholders from the investment of mutual funds in shares of a domestic Company will be exempt from tax under section 10(34) read with section 115O of the Act.

b) As per provisions of Section 10(23D) of the Act, any income of mutual funds registered under the Securities and Exchange Board of India, Act, 1992 or Regulations made there under, mutual funds set up by public sector banks or public financial institutions and mutual funds authorized by the Reserve Bank of India, is exempt from income-tax, subject to the prescribed conditions.

BENEFITS UNDER THE WEALTH TAX ACT, 1957

Wealth Tax Act, 1957

- Wealth Tax Act, 1957 has been abolished as per Finance Act, 2015.

Note: All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.

For R T Jain & Co.

Chartered Accountants

Firm Registration No.103961 W

(CA Bankim Jain)

Partner

Membership No.139447

Place: Mumbai

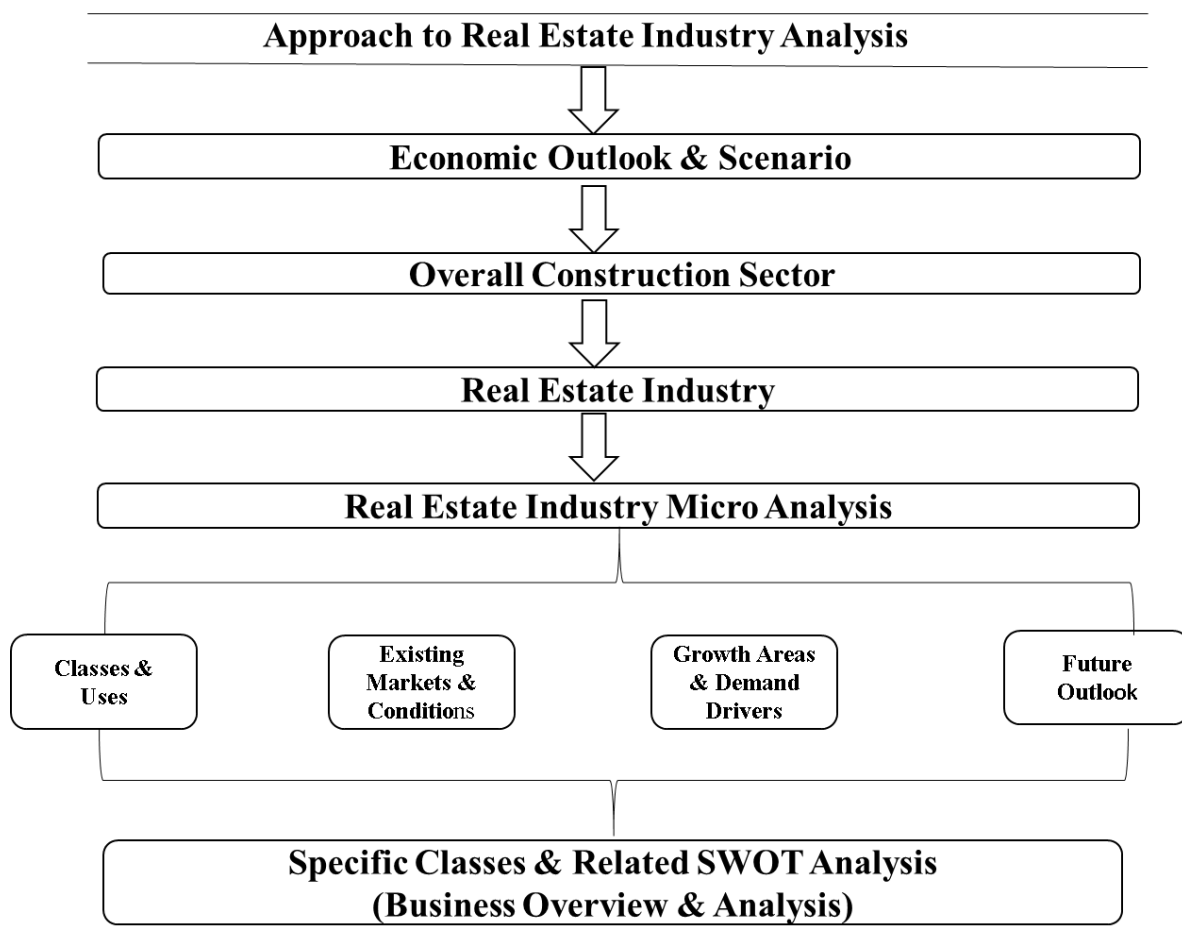
Date: July 02, 2015

SECTION IV – ABOUT THE COMPANY

OUR INDUSTRY

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any person connected with the issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and accuracy, completeness and underlying assumptions are not guaranteed and their reliability can not be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Prospectus, including the information contained in the sections titled “*Risk Factors*” and “*Financial Statements*” and related notes beginning on page 16 and 171 respectively of this Prospectus before deciding to invest in our Equity Shares.

INDUSTRY OVERVIEW:



GLOBAL ECONOMIC ENVIRONMENT

The global economic environment appears poised for a change for the better with the recent sharp fall in the international prices of crude petroleum, which is expected to boost global aggregate demand, and the sharp recovery in the US economy in the face of gradual withdrawal from monetary accommodation. Following the global crisis of 2008, the global economy came under a cloud of uncertainty and the prolonged weakness in the euro area, particularly since 2011, led to the

(IMF) often revising global growth downwards in its World Economic Outlook (WEO). In its Update, published on 20 January 2015, the IMF projected the global economy to grow from 3.3 per cent in 2014 to 3.5 per cent in 2015 and further to 3.7 per cent in 2016. This downward revision from its October 2014 projections owed to the weaker economic prospects in China, Russia, the euro area, Japan, and some major oil exporters because of the sharp drop in oil prices. The United States is the only major economy for which growth projections have been raised by 0.5 percentage point to 3.6 per cent for 2015. 4.3 In the case of emerging market and developing economies (EMDEs), which continue to struggle with tepid domestic demand and headwinds from structural impediments, the IMF Update projects growth to moderate to 4.3 per cent in 2015 and 4.7 per cent in 2016.

Going forward, the lower oil price is likely to be more positive for the EMDEs that account for more than half of the global output (purchasing power parity terms) given their higher contribution to global growth with inflation remaining anchored. This might lead to a better outcome than projected. A sudden correction in financial markets and downside risks to growth with a possible further slowdown in the euro area along with the likely duration of the oil price supply shock effect, are some of the concerns that linger on.

Source: Economic Survey 2014-15; indiabudget.nic.in

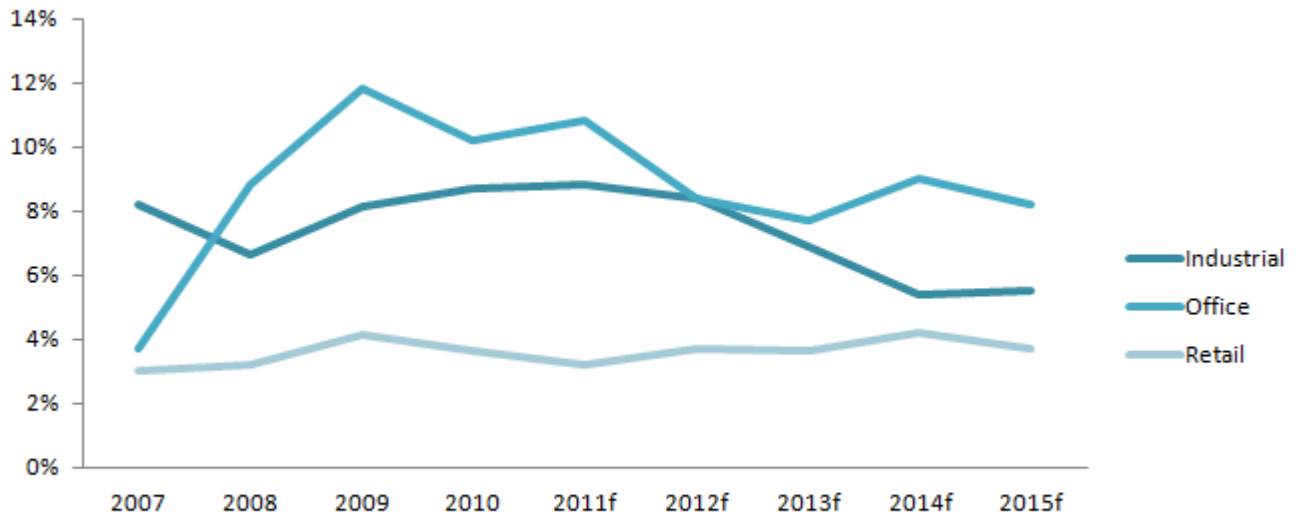
GLOBAL REAL ESTATE INDUSTRY:

The global real estate management and development industry, one of the fastest developing industries, grew at a yearly rate of 0.3% between 2010 and 2015, according to Market Line. The industry is expected to reach in excess of \$465 billion by 2015. Residential activity led market growth in 2010, generating over \$262 billion in profit, which represented 60% of the overall market. Yearly growth in the four-year period ending 2010 was at a rate of -0.9%, totalling just over \$461 billion in 2010. The market will be driven by a high degree of urbanization, following continued recovery after the economic crisis, aided by government spending in the sector and rising demand. The market will equally benefit from state measures to limit climbing domestic real estate prices as the government seeks to expand affordable housing.

REAL ESTATE MARKET RESEARCH:

- The next five-year period will see demand for commercial real estate rebound, following a dip caused by the credit crisis. Improving economic conditions in emerging markets due to increased construction activity and lower unemployment will continue to contribute to the global commercial real estate market. The industry buys, rents, sells and manages both leased and privately owned real estate, including non-residential building and apartment buildings. Other related services include property appraisal, brokerage and property development.
- Worldwide demand for new housing is expected to expand by 3% yearly through 2014, with almost 55 million new housing units to be constructed, according to Freedonia.

Asia Pacific Property Vacancy Rate Trends



Sources: JLL (History) and RREEF Research (Forecast). Asia Pacific is inclusive of Japan and Australia in this chart. As of May 2011.

- Global housing stock will increase at a yearly rate of almost 2%, from a base of almost 2 billion units in 2009. The global growth rate is expected to settle at just under 2% yearly through 2014 to over 2 billion units.

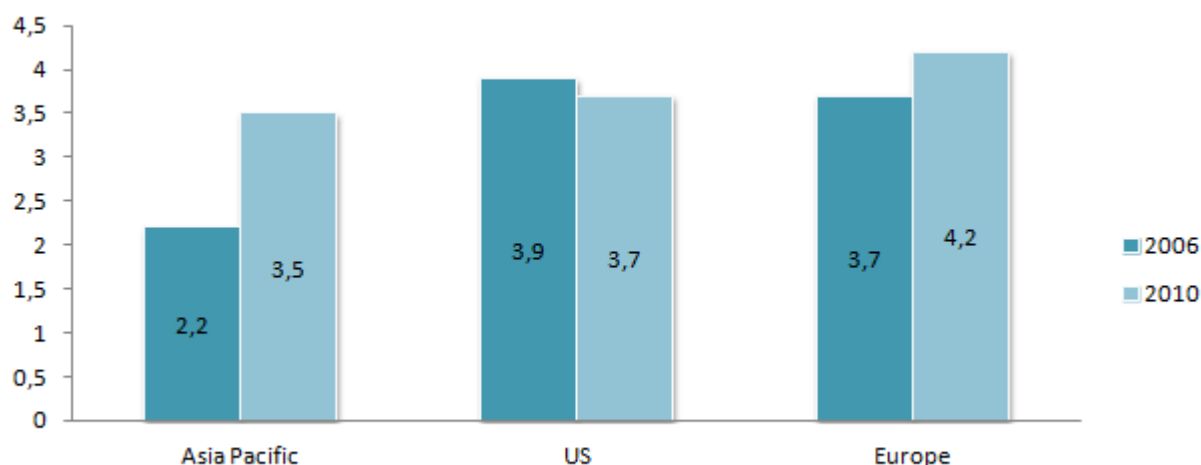
MARKET OUTLOOK:

All types of property and all regions in the global real estate market are in recovery (as well as the overall business for real estate operators), according to the Rosenberg Real Estate Equity Funds (RREEF) 2011 global real estate investment market outlook. The market is predicted to see continued recovery in 2011 and 2012, and to grow in most sectors from 2013.

Moving forward, the main industry trends will come from urbanization in developing countries and an ageing global population.

RREEF predicts the global rate of return on real estate will average at between 8% and 11% from 2011 and 2015. Performance and risk will be high in the Asia-Pacific region, while the US will show average returns at lower financial risk. The EU is expected to fall behind the global rate of return with slow growth and moderate risk.

Global Real Estate Invested Stock, *In US\$ Tn



Sources: DTZ, 2011 Money into Property.

THE INDIAN ECONOMY

India is set to become the world's fastest-growing major economy by 2016 ahead of China, the International Monetary Fund (IMF) said in its recent latest forecast. India is expected to grow at 6.3 per cent in 2015, and 6.5 per cent in 2016 by when it is likely to cross China's projected growth rate, the IMF said in the latest update of its World Economic Outlook.

India's macro-economic prospects have strengthened and the country is best positioned among emerging market economies, gaining global investor's attention, says a report by ICICI Bank. The improvement in India's economic fundamentals has accelerated in FY2015 with the combined impact of a strong Government mandate, RBI's inflation focus supported by benign global commodity prices.

Source: www.ibef.org

OUTLOOK FOR GROWTH:

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. Their cumulative growth impact will be positive. A further impetus to growth will be provided by declining oil prices and increasing monetary easing facilitated by on-going 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 declines 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 year⁴. Using the new estimate for 2014-15 as the base, this implies growth at market prices of 8.1- 8.5 per cent in 2015-16. The power of growth to lift all boats will depend critically on its employment creation potential.

OUTLOOK FOR 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 per cent by the IMF. This needs to move toward levels in comparator countries—estimated at 25 per cent for emerging Asian economies and 29 per cent 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.

These include:

- Deregulating diesel prices, paving the way for new investments in this sector;
- Raising gas prices from US\$ 4.2 per million British thermal unit to US\$ 5.6, and linking pricing, transparently and automatically, to international prices so as to provide incentives for greater gas supply and thereby relieving the power sector bottlenecks;
- Taxing energy products. Since October, taking advantage of declining oil prices, the excise tax on diesel and coal was increased four times. In addition to resulting in collections of about 70,000 crore (on an annualized basis), this action will have positive environmental consequences;
- Replacing the cooking gas subsidy by direct transfers on a national scale;
- Instituting the Expenditure Management Commission, which has submitted its interim report for rationalizing expenditures;
- Passing an ordinance to reform the coal sector via auctions;
- Securing the political agreement on the goods and services tax (GST) that will allow legislative passage of the constitutional amendment bill;
- Instituting a major program for financial inclusion—the Pradhan Mantri Jan Dhan Yojana under which over 12.5 crore new accounts have been opened till mid-February 2014;
- Continuing the push to extending coverage under the Aadhaar program, targeting enrolment for 1 billion Indians; as of early February, 757 million Indians had been bio-identified and 139-Aadhaar linked bank accounts created;
- Increasing FDI caps in defence;
- Eliminating the quantitative restrictions on gold;
- Passing an ordinance to make land acquisition less onerous, thereby easing the cost of doing business, while ensuring that farmers get fair compensation;
- Facilitating Presidential Assent for labour reforms in Rajasthan, setting an example for further reform initiatives by the states; and consolidating and making transparent a number of labour laws; and
- Passing an ordinance increasing the FDI cap in insurance to 49 per cent. Commencing a program of disinvestments under which 10 per cent of the government's stake in Coal India was offered to the public, yielding about ` 22,500 crore, of which ` 5,800 crore was from foreign investors;
- Passing the Mines and Minerals (Development and Regulation) (MMDR) Amendment Ordinance, 2015 is a significant step in revival of the hitherto stagnant mining sector in the

country. The process of auction for allotment would usher in greater transparency and boost revenues for the States.

Source: Economic Survey 2014-15; indiabudget.nic.in

FISCAL FRAMEWORK:

Notwithstanding the challenging nature of the 2014-15 budget, elaborated in the Mid-Year Economic Analysis 2014-15, the Government will adhere to the fiscal target of 4.1 per cent of GDP. Despite weakness in revenue collection and delayed disinvestment, new excises on diesel and petrol (revenue yield of about Rs 20,000 crore), reduced subsidies, and expenditure compression will ensure the commitment to discipline. India can reconcile the requirements of fiscal consolidation and the imperative of boosting public investment to revive growth and crowd-in private investment provided the right lessons are learnt.

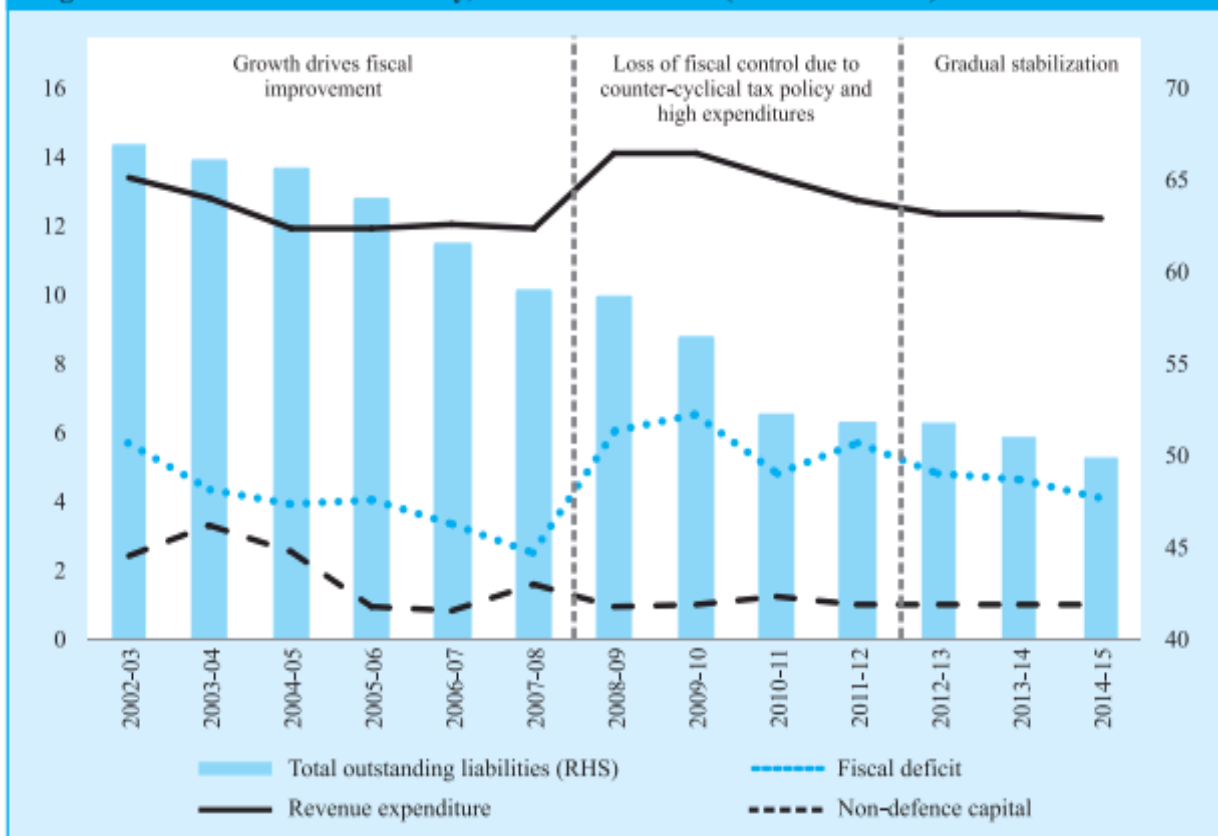
Since this is the first full budget of the new government, and especially in light of the far-reaching recommendations of the Fourteenth Finance Commission, the time is ripe for reviewing the medium-term framework and setting targets for the upcoming year against that background and taking account of the lessons of recent history three phases marked recent fiscal history:

a. First the rapid growth improved all fiscal aggregates, flows and stocks. But failure to control expenditure, especially revenue expenditure, towards the end of that phase, combined with excessive counter-cyclical policies in the second phase (2009-12) led to a loss of fiscal control that contributed to the near-crisis of 2013. A casualty has been low and stagnating capital expenditure. In the third phase (2013-today), a modicum of fiscal stability has been restored. This history suggests the following strategy going forward. First, in the medium term, India must meet its medium-term target of 3 per cent of GDP. This will provide the fiscal space to insure against future shocks and also to move closer to the fiscal performance of its emerging market peers. It must also reverse the trajectory of recent years and move toward the 'golden rule' of eliminating revenue deficits and ensuring that, over the cycle, borrowing is only for capital formation.

b. Second, the way to achieve these targets will be expenditure control and expenditure switching from consumption to investment. And the secular decline in capital expenditure in the last decade has undermined India's long run growth potential. From 2016-17, as growth gathers steam and as the GST is implemented, the consequential tax buoyancy when combined with expenditure control will ensure that medium term targets can be comfortably met. This buoyancy is assured by history because over the course of the growth surge in the last decade, the overall tax-GDP ratio increased by about 2.7 percentage points, from 9.2 per cent in 2003-04 to 11.9 per cent in 2007-08 even without radical tax reform.

c. Third, the medium-term commitment to discipline cannot result in an Augustinian deferment of actions. In the upcoming year, too, fiscal consolidation must continue. However, the need for accelerated fiscal consolidation has lessened because macroeconomic pressures have significantly abated with the dramatic decline in inflation and turnaround in the current account deficit.

Figure 1.13: Recent Fiscal History, 2002-03 to 2014-15 (Percent of GDP)



Source: Budget Documents and CSO.

Note: Numbers for 2013-14 and 2014-15 are revised estimates and budget estimates, respectively.

Source: Economic Survey 2014-15

MARKET SIZE:

The government, engineering an economic rebound with a slew of reforms, has unveiled a new statistical method to calculate the national income with a broader framework that turned up a pleasant surprise: GDP in the past year 2013-14 grew 6.9 per cent instead of the earlier 4.7 per cent.

The revision in base year of India's national accounts will increase the size of the economy to Rs 111.7 trillion (US\$ 1.8 trillion) in FY14, according to India Ratings. The size of the Indian economy was at about Rs 93.89 trillion (US\$ 1.51 trillion) in 2012-13.

Also, Capital Economics (CE), an independent macro-economic research company, released its India Watch research report recently, cataloguing its interpretation and expectations on the upcoming Budget 2015. It sees Indian economy expanding by 5.5 per cent in 2015, owing to the fall in crude oil prices and interest rates.

Stating that its great time to invest in India, Minister of State for Finance Mr Jayant Sinha said the Indian economy has potential to become a US\$ 4-5 trillion economy in the next 10-12 years.

INVESTMENTS:

With the improvement in the economic scenario, there has been quite a few investments in various sectors along with M&A in India. Some of them are as follows:

- India has emerged as one of the strongest performers in the deal-street across the world as mergers and acquisitions (M&A). M&A activity increased in 2014 with deals worth US\$ 38.1 billion being concluded, compared to US\$ 28.2 billion in 2013 and US\$ 35.4 billion in 2012
- The combined index of eight core industries stood at 166.2 in November 2014 – 6.7 per cent higher compared to the index of November 2013. Its cumulative growth during April to November, 2014–15 was 4.6 per cent.
- India and Germany have decided to set up two working groups—one on circular economy and other on water management—after a meeting with German Environment Minister Ms Barbara Hendricks. After a recent meeting, the two sides announced that the focus of the working groups would be on restoration of water bodies, waste management and more efficient use of water resources.
- The Union Cabinet, chaired by the Prime Minister Shri Narendra Modi, has given its approval to enter into a memorandum of understanding (MoU) for strengthening cooperation in the field of tourism, between the Ministry of Tourism, Government of India and the Ministry of Tourism, Government of the Sultanate of Oman
- India's consumer confidence continues to remain highest globally and showed improvement in the fourth quarter of calendar year 2014 (Q4), riding on positive economic environment and lower inflation. Nielsen's findings reveal that the consumer confidence of urban India increased by three points in Q4 from the preceding quarter. With a score of 129 in Q4, urban India's consumer confidence is up by 14 points from the corresponding period of the previous year (Q4 of 2013) when it stood at 115.
- India's foreign exchange reserves touched a record US\$ 322 billion, surpassing the previous high of almost US\$ 321 billion in September 2011. Latest data released shows an accretion of US\$ 2.7 billion during the week ended January 16, 2015, essentially due to a rise in foreign currency assets. Market players said RBI has been buying dollars to ensure that the rupee stays strong. At current levels, reserves are sufficient to cover imports for eight-and-a-half months.
- The government has announced that foreign investors can put in as much as Rs 90,300 crore (US\$ 14.55 billion) in India's rail infrastructure through the FDI route, according to a list of projects released by the Ministry of Railways. The Rs 63,000 crore (US\$ 10.15 billion) Mumbai-Ahmedabad high-speed corridor project is the single largest. The other big ones include the Rs 14,000 crore (US\$ 2.25 billion) CSTM-Panvel suburban corridor, to be implemented in public-private partnership (PPP), and the Rs 1,200 crore (US\$ 193.46 million) Kachrapara rail coach factory, besides multiple freight line, electrification and signalling projects.

GOVERNMENT INITIATIVES:

India has become a promising investment destination for foreign companies looking to do business here. Mr Narendra Modi, Prime Minister of India, has launched the 'Make in India' initiative with the aim to give the Indian economy global recognition. This initiative is expected to increase the

purchasing power of the common man, which would further boost demand, and hence spur development, in addition to benefiting investors. The steps taken by the government in recent times have shown positive results as India's gross domestic product (GDP) at factor cost at constant (2004-05) prices for Q1 of 2014-15 is estimated at Rs. 14.38 trillion (US\$ 231.83 billion), as against Rs 13.61 trillion (US\$ 219.42 billion) in Q1 of 2013-14, registering a growth rate of 5.7 per cent.

Based on the recommendations of the Foreign Investment Promotion Board (FIPB), the Government of India has approved 14 proposals of FDI amounting to Rs 1,528.38 crore (US\$ 246.42 million) approximately. Out of the 14 approved proposals, six of them belonged to the pharmaceutical sector which was the highest number of approvals for any sector.

ROAD AHEAD:

The International Monetary Fund (IMF) and the World Bank in a joint report have forecasted that India will register a growth of 6.4 per cent in 2015, due to renewed confidence in the market brought about by a series of economic reforms pursued by the government. A United Nations body pegged India's economic growth at 8.1 per cent for 2015-16.

Only India is anticipated to witness better growth momentum among the BRIC bloc whereas other member countries are expected to see stable growth momentum, according to Organisation for Economic Cooperation and Development (OECD).

India could become the world's seventh biggest nation in terms of private wealth, with a 150 per cent increase in total, from US\$ 2 trillion in 2013 to US\$ 5 trillion in 2018, as per a recent study by the Boston Consulting Group (BCG).

Furthermore, the new 'Make in India' initiative is expected to be a vital component in India's quest for achieving wholesome economic development.

Source: www.ibef.org

THE INDIAN REAL ESTATE INDUSTRY

The real estate sector in India has come a long way by becoming one of the fastest growing markets in the world. It is not only successfully attracting domestic real estate developers, but foreign investors as well. The growth of the industry is mainly attributed to a large population base, rising income level and rapid urbanization.

The sector comprises of four sub-sectors- housing, retail, hospitality and commercial. While housing contributes to 56% of the country's GDP, the remaining three sub-sectors are also growing at a rapid pace, meeting the increasing infrastructural needs.

The sector has transformed from being unorganised to a dynamic and organised sector over the past decade. Government policies have been instrumental in providing support after recognising the need for infrastructural development in order to ensure better standard of living for its citizens. In addition to this, adequate infrastructure forms a prerequisite for sustaining long-term growth momentum of the economy.

The Indian real estate sector is one of the most globally recognised sectors. In the country, it is the second largest employer after agriculture and is slated to grow at 30% over the next decade. It comprises four sub sectors - housing, retail, hospitality, and commercial. The growth of this sector is well complemented by the growth of the corporate environment and the demand for office space as

well as urban and semi-urban accommodations. The construction industry ranks third among the 14 major sectors in terms of direct, indirect and induced effects in all sectors of the economy.

It is also expected that this sector will incur more non-resident Indian (NRI) investments in the near future, as a survey by an industry body has revealed a 35 per cent surge in the number of enquiries with property dealers. Bengaluru is expected to be the most favoured property investment destination for NRIs, followed by Ahmedabad, Pune, Chennai, Goa, Delhi and Dehradun. Private equity (PE) funding has picked up in the last one year due to attractive valuations. Furthermore, with the Government of India introducing newer policies helpful to real estate, this sector has garnered sufficient growth in recent times.

MARKET SIZE:

The Indian real estate market size is expected to touch US\$ 180 billion by 2020. The housing sector alone contributes 5-6 per cent to the country's gross domestic product (GDP). Also, in the period FY08-20, the market size of this sector is expected to increase at a compound annual growth rate (CAGR) of 11.2 per cent. Retail, hospitality and commercial real estate are also growing significantly, providing the much-needed infrastructure for India's growing needs.

Real estate has emerged as the second most active sector, raising US\$ 1.2 billion from private equity (PE) investors in the last 10 months.

Foreign investors have bought tenanted office space worth over US\$ 2 billion in India in 2014, a four-fold rise compared to the previous year, in order to increase their rent-yielding commercial assets in Asia's third largest economy.

According to a study by Knight Frank, Mumbai is the best city in India for commercial real estate investment, with returns of 12-19 per cent likely in the next five years, followed by Bengaluru and Delhi-National Capital Region (NCR). Also, Delhi-NCR was the biggest office market in India with 110 million sq ft, out of which 88 million sq ft were occupied. Sectors such as IT and ITeS, retail, consulting and e-commerce have registered high demand for office space in recent times.

Delhi's Central Business District (CBD) of Connaught Place has been ranked as the sixth most expensive prime office market in the world with occupancy costs at US\$ 160 per sq ft per annum, according to a survey by CBRE.

MARKET PLAYERS:

The Indian real estate sector has traditionally been an unorganized sector but is slowly growing into a more organized one. The sector is embracing professional standards and transparency with open arms. The major established domestic players in the sector are DLF, Unitech, Hranandani Constructions, Tata Housing, Godrej Properties, Omaxe, Parsvanath, Raheja Developers, Ansal Properties and Infrastructure and Mahindra Lifespace Developers Ltd to name a few, International players who have made a name for themselves in India include Hines, Tishman Speyer, Emaar Properties, Ascendas, Capitaland, Portman Holdings and Homex.

INVESTMENTS:

The Indian real estate sector has witnessed high growth in recent times with the rise in demand for office as well as residential spaces.

Blackstone Group Lp is all set to become the largest owner of commercial office real estate in India after a three-year acquisition drive in which it spent US\$ 900 million to buy prime assets.

According to data released by Department of Industrial Policy and Promotion (DIPP), the construction development sector in India has received foreign direct investment (FDI) equity inflows to the tune of US\$ 24,012.87 million in the period April 2000-December 2014.

Some of the major investments in this sector are as follows:

- Google Capital has invested in Bengaluru-based online property search platform, CommonFloor.com.
- Omkar Realtors and Developers Pvt Ltd is in talks to raise Rs 400 crore (US\$ 66.68 million) from KKR India Asset Finance Pvt Ltd, the local arm of global investor Kohlberg Kravis Roberts and Co LP (KKR).
- Goldman Sachs Group bought shares worth Rs 255 crore (US\$ 41.23 million) in Vatika Hotels Pvt Ltd, a company owned by real estate and hospitality firm Vatika Group.
- SoftBank Internet and Media Inc will invest, along with Falcon Edge Capital and others, US\$ 90 million in Locon Solutions Pvt Ltd, which runs Housing.com - a realty website. The SoftBank Group will become the largest investor in Housing.com after this round of funding.
- The Qatar Prince, Hamad bin Khalifa Al Thani, plans to invest Rs 1,000 billion (US\$ 16.17 billion) over the next five years in at least 10 smart cities of India. He has already tied up with a Delhi-based businessman for taking the investment forward through projects in real estate, sea ports and airports, besides smart cities.
- Real estate firm Supertech has planned to invest about Rs 2,000 crore (US\$ 323.49 million) in Gurgaon over the next few years by launching several luxury and affordable projects.

GOVERNMENT INITIATIVES:

Under the Sardar Patel Urban Housing Mission, 30 million houses will be built by 2022, mostly for the economically weaker sections and low-income groups, through public-private-partnership (PPP), interest subsidy and increased flow of resources to housing sector', according to Mr M Venkaiah Naidu, Union Minister of Urban Development, Housing and Urban Poverty Alleviation and Parliamentary Affairs, Government of India.

- The Government of India along with the governments of the respective states have taken several initiatives to encourage the development in the sector. Some of them are as follows:
- The Government of Maharashtra has announced a series of measures to bring transparency and increase the ease of doing business in the real estate sector.
- The Government of India has relaxed the norms to allow foreign direct investment (FDI) in the construction development sector. This move should boost affordable housing projects and smart cities across the country.
- The Securities and Exchange Board of India (SEBI) has notified final regulations that will govern real estate investment trusts (REITs) and infrastructure investment trusts (InvITs). This move will enable easier access to funds for cash-strapped developers and create a new

investment avenue for institutions and high net worth individuals, and eventually ordinary investors.

- The Telangana Real Estate Developers' Association (Treda) plans to host the Fifth Treda Property Show 2014 at Hitex Centre, Hyderabad. The show will be open to a mix of the populace, including prospective property purchasers, investors, architects and others.
- The State Government of Kerala has decided to make the process of securing permits from local bodies for construction of houses smoother, as it plans to make the process online with the launch of software called 'Sanketham'. This will ensure a more standardised procedure, more transparency, and less corruption and bribery.

ROAD AHEAD:

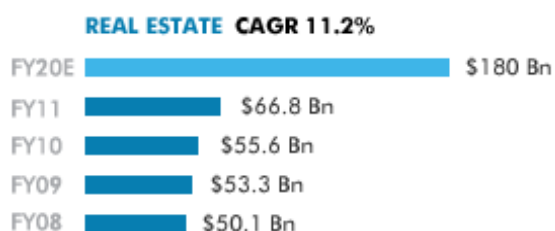
Responding to an increasingly well-informed consumer and keeping in mind the globalization of the Indian business outlook, real estate developers have also shifted gears and accepted fresh challenges.

The most marked change has been the shift from family owned businesses to professionally managed ones. Real estate developers, in meeting the growing need for managing multiple projects across cities, are investing in centralized processes to source material and organize manpower and hiring qualified professionals in areas like project management, architecture and engineering.

The growing flow of FDI into Indian real estate is encouraging increased transparency. Developers, in order to attract funding, have revamped their accounting and management systems to meet due diligence standards.

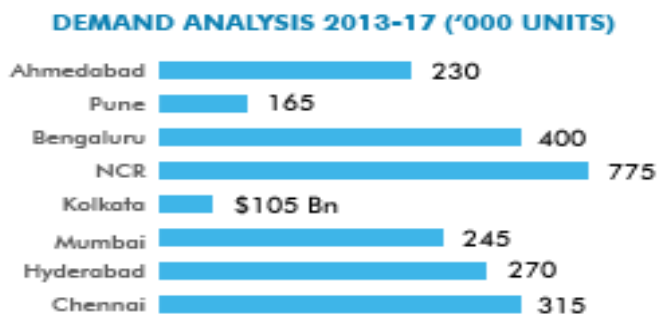
Market size of real estate in India

The market size of real estate in India is expected to increase at a CAGR of 11.2 per cent during FY2008 - 2020.



Demand analysis of top 8 cities ('000 units)

Demand to grow at a CAGR of 2 per cent over the period 2013-17 across top 8 cities in India.



Source: www.ibef.org

Trends in the Indian real estate sector and the industry outlook 2015:

In addition to being the second major contributor to the GDP, the Real Estate sector is also amongst the fastest growing sectors in the Indian Economy. Real Estate as a matter of fact has always been an attractive investment option and with the additional support of the new rules and regulations by the government, it has resulted in significant growth in the residential & commercial Real Estate. The government has always had a major influence on the Real Estate sentiments of the investor's and now with a stable government at centre; we are hopeful that the lost confidence shall be revived.

The markets of Mumbai, Bangalore and have seen increased investments and the good news is that the Indian realty sector has been one of the most emerging sectors out of all the developing economies. The year-end saw improvements in the investing patterns in Real Estate in India both in the residential as well as the commercial Real Estate. With National and International brands wanting to expand in India, the commercial and retail Real Estate continues to be a favoured destination for all kinds of investors.

The rising income level of the people and with people of all age groups investing in Real Estate, the residential sector is also expected to grow significantly over the next decade. The market is witnessing an increased demand of luxury housing and overall also we can expect the market size of Real Estate in India see a significant growth as well as development.

Market overview:

The real estate sector is a key growth driver of the country's economy. The contribution of the residential segment alone to India's GDP is around 5 to 6 per cent.

- The real estate sector is one of the highest FDI-attracting sectors in India, with recorded FDI inflow of more than US\$ 8.9 billion (INR 403 billion) between April 2000 and September 2010.
- Favourable demographics (a young population and increasing urbanisation) and growth in the services sector, especially the IT & ITeS sector, have primarily driven growth in the real estate industry.
- DLF, Unitech, Ansal Properties, K. Raheja Corporation and Parsvnath Developers are among the major Indian players in the sector.

- In the last decade, FDI in real estate has increased due to the growing interest of foreign players in the Indian market. Over the last decade, many international players, including developers such as Emaar, Ascendas, Keppel Land, TishmanSpeyer and NakheelGroup, and investors such as Morgan Stanley, Och-Ziff Capital, Citigroup, Goldman Sachs, JP Morgan, Warburg Pincus and Deutsche Bank, have entered the Indian real estate market.

Source: www.ibef.org



OUR BUSINESS

Overview

Our Company Sri Krishna Constructions (India) Private Ltd. was incorporated in the year 2005 in the state of Karnataka with the objective of creating a corporate brand in its line of business of real estate development.

Our promoters come from diverse business background and with a view to leverage on the strength of the business experience of over a decade especially in marketing concepts and products joined hands to foray into the real estate business in the year 2003. To begin with, the promoters were involved in only marketing real estate projects. With the passage of time and the growth of business acquaintances, the promoters drawing inspirations from the successful marketing deliveries, surged into full-fledged real estate business venture. With the objective of making a corporate mark in the real estate industry, the promoters started with incorporation of private limited company “Sri Krishna Constructions (India) Pvt. Ltd.” in the year 2005.

Our promoters are amongst the prominent residential layout developers of Bangalore. The primary business of our company is the development of residential layouts / properties. The business operations comprise the identification/acquisition of land and development and marketing the land/projects. The registered office of our Company is situated at No. 1, 4th Main, Sheshadripuram, Nehru Circle, Bangalore, Karnataka, India.

Our promoters are into development and sale of residential layouts. They have steadily built the real estate business since its inception in 2005. As on date of this Prospectus, the promoters have developed more than 20 Lakhs Sq. Ft of residential layouts spread across Bangalore. The promoters have already successfully executed 7 projects and are having 2 ongoing projects and 3 upcoming projects in Bangalore. Our Company has recently commenced diversification into construction of Villas and Apartments.

Our Company has demonstrated a prominent presence in execution of real estate projects and has developed significant expertise and competencies in this field. Our Company aims to leverage on its strengths and continue expansion into sector which will put our company to desired growth trajectory . Since the very beginning our Company has demonstrated strong vision and its ability to capitalize and identify real estate opportunities. Our Company is currently focusing on opportunities to build a brand in Bangalore. The customers of our Company have been highly appreciative of the developmental activities carried out by our Company, particularly with regards to the speed of execution, flexibility and property management services.

Our promoters are one among the prominent real estate developers. Our promoters enjoy reputation for pioneering concepts in the realty market and ethical practices.

Our promoters are one of the early movers in realty business in Bangalore to introduce the concept of “maintenance of land acquired by customers”. Under this concept, the promoters shall maintain the land purchased by the customers at minimum cost to enable the customers to maintain and enhance their land value over period of time.

Our Company has completed 7 projects and is in the process of completing another 2 projects and also has identified 3 upcoming projects.

The projects developed by us and completed are as follows:

| Sr. No . | Project Name | Location | Type of Contract | Year of Commencement | Year of Completion | Land Area (in Sq. ft) | Saleable Area (Sq.Ft) |
|----------|-------------------------------|--------------------------|--|----------------------|--------------------|-----------------------|-----------------------|
| 1. | Sri Krishna Gardens-Phase III | Kengeri , Mysore Road | Development & Marketing Rights | 2005 | 2006 | 3.71 Lakhs | 1.00 Lakh |
| 2. | Spring Gardens | Sarjapur – Attibele Road | Partially Owned & Development & Marketing Rights | 2006 | 2008 | 9.45 Lakhs | 5.19 Lakhs |
| 3. | Citadel | Jigani | Owned | 2009 | 2011 | 1.46 Lakhs | 0.80 Lakhs Sq Ft |
| 4. | Samruddhi Layout | Kengeri Satellite Town | Development & Marketing Rights | | 2010 | -- | 1.17 Lakhs |
| 5. | SKC White Meadows | Kengeri Satellite Town | Partially Owned & Development & Marketing Rights | 2012 | 2013 | 3.39 Lakhs | 1.86 Lakhs |
| 6. | SKC Greens | Kengeri Satellite Town | Owned | 2013 | 2014 | 1.28 Lakhs | 0.70 Lakhs |
| 7. | SKC Rainbow | Kambipura , Mysore Road | Owned | 2013 | 2015 | 2.34 Lakhs | 1.28 Lakhs |

The ongoing and upcoming projects to be developed are as follows

| Sr. No . | Project Name# | Location | Type of Contract | Status* | Year of Commencement | Estimated Completion | Land Area (in Sq. ft) | Estimated Saleable Area (Sq.Ft) |
|----------|---------------------|------------------------|--------------------------------|----------|----------------------|----------------------|-----------------------|---------------------------------|
| 1. | SKC Tulip | Kengeri Satellite Town | Construction Contract | Ongoing | January 2015 | June 2017 | 0.11 Lakhs | 0.35 Lakhs |
| 2. | SKC Royal the farms | Bidadi, Mysore Road | Development & Marketing Rights | Ongoing | January 2015 | December 2016 | 5.96 Lakhs | 4.17 Lakhs |
| 3. | SKC Rhythm-I | Kambipura, Mysore Road | Joint Development | Upcoming | August 2015 | March 2017 | 1.09 Lakhs | 1.00 Lakhs |
| 4. | SKC Rhythm-II | Kambipura, Mysore Road | Joint Development | Upcoming | September 2015 | April 2017 | 0.87 Lakhs | 0.80 Lakhs |

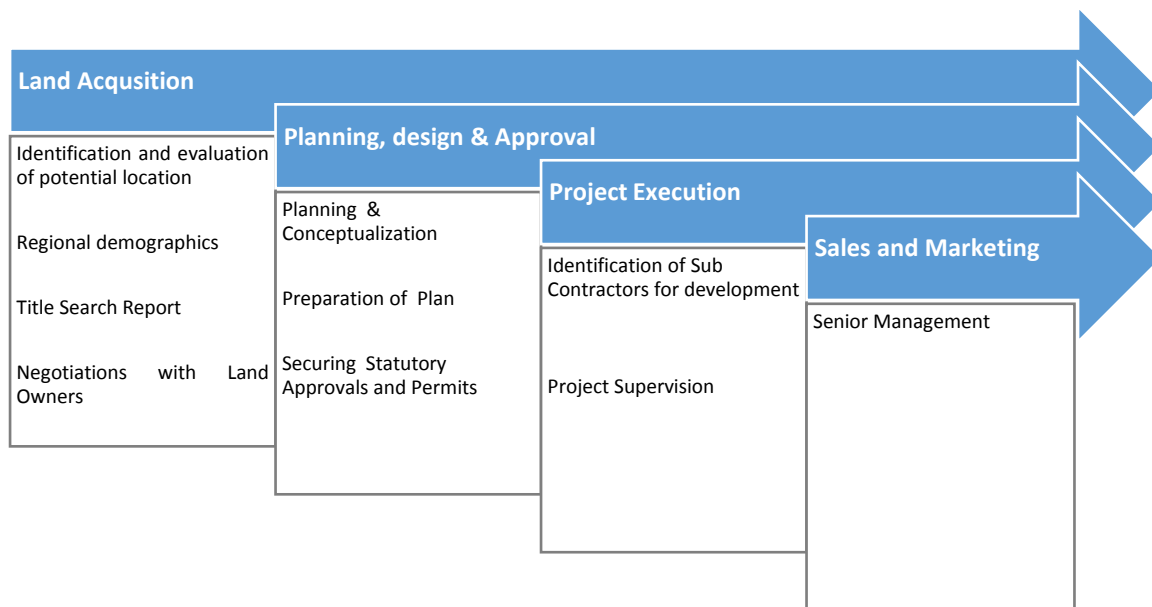
| Sr. No. | Project Name# | Location | Type of Contract | Status* | Year of Commencement | Estimated Completion | Land Area (in Sq. ft) | Estimated Saleable Area (Sq.Ft) |
|---------|----------------|------------------------|-------------------|----------|----------------------|----------------------|-----------------------|---------------------------------|
| 5. | SKC Rhythm-III | Kambipura, Mysore Road | Joint Development | Upcoming | October 2015 | May 2017 | 0.87 Lakhs | 0.80 Lakhs |

*Ongoing means where approvals have been received and development & marketing have started and Upcoming means where Plan Approval is pending but development right has been signed.

#Project names may be changed depending upon the marketing strategy of our company

OUR KEY BUSINESS PROCESS:

The real estate development process can be broadly divided into the following distinct stages of activity:



Land acquisition/ Development Right Acquisition

The sustainability of our business is dependent on our land acquisition costs and on the availability of land for our business growth. Land costs have generally increased in the past years and we believe that this trend will continue in the future as well subject to general economic conditions and other factors. We acquire land from private parties after conducting due diligence & obtaining Title Clearance from renowned advocates in Bangalore. The cost of acquisition of land which includes the amounts paid for freehold rights, leasehold rights, registration, stamp duty etc. constitutes substantial part of our project cost. We are generally required to pay an advance at the time of executing transaction agreements with the remaining purchase price payable on completion of acquisition.

We also acquire the rights to develop plots/land through arrangement with other entities that owns the land or is in possession of land development rights. The entity is given the option, as

consideration, to either share the sale proceeds or receive a portion of the developed/ built up area as may be mutually decided and agreed upon.

After identification of the potential development site, we undertake site visits and detailed analysis of the following factors, among others:

- Location, including surrounding development and landmarks and views;
- Size of the development site
- Land acquisition cost;
- Title searches and related legal due diligence;
- Market trends
- Regulatory issues

After conducting such analysis, our senior management makes the final decision with regard to the financial feasibility of the acquisition and the scope of the projects to be developed on the proposed site.

After a decision is made to proceed with the acquisition of land or land development rights, we take necessary steps to acquire the land or development rights. We enter into negotiations with the seller of land or land development rights in order to reach a preliminary acquisition agreement, usually memorialised in a memorandum of understanding. Once we have completed our preliminary due diligence on the land, we enter into final agreements to acquire the land.

We endeavour to obtain valid title to our land and development rights. Wherever possible, we obtain legal opinions that confirm our title to the land or development rights purchased from third parties. Please see the sections entitled “Risk Factors – *Title insurance is not commercially available in India and we face uncertainty of title to our lands.*” of this Prospectus

Planning, design and approval

We have in-house design and project management which takes care of designing, planning, budgeting, contracting and tracking the execution of projects. In this phase, we make detailed specifications and drawings of the proposed project with the help of government approved surveyors, undertake necessary approvals and assess the resources required to complete the project. We retain responsibility for obtaining all necessary approvals and permits for each of our projects and have a team, whose function is to obtain approvals from government authorities. We also use external professionals, as necessary, to obtain such approvals and permits. We believe that real estate development is a localised business and detailed local knowledge is required for obtaining timely approvals. We work in close coordination with the government authorities and we believe that we have the requisite knowledge of the process and requirements for obtaining all necessary approvals in Bangalore.

Project Execution

We typically outsource the activities to be carried out for development of project while retaining the project management role. We believe that outsourcing enables us to leverage the expertise the services of our service providers thus enabling our management to focus on other critical aspects of our business. Outsourcing also helps to explore opportunities and expand our business horizon.

For construction and for the supply of labour and materials, we enter into service/supply orders with various service providers and suppliers. We are not dependent upon any single contractor, builder or



supplier for our construction activities. We negotiate orders on an individual basis and do not have any tender or bidding process. We seek to ensure that our raw material requirements for each project are satisfied in a timely and cost-effective manner. We take great efforts to ensure that raw materials and other goods and services sourced from third-party vendors are delivered and paid for in a timely manner. Our management conducts regular site visits. We have developed a monthly internal reporting system to help ensure effective monitoring of the status of all of our projects at any given time. This has helped us to improve efficiency and reduce time and cost overruns.

Sales and Marketing

The efficiency of the marketing and sales network is critical success of our Company. Our sales efforts begin as soon as possible after we have entered into an agreement to acquire land. Our marketing and research teams collaborate to design projects based on the demographics, socio-economic factors and market trends of the target group. We employ various marketing approaches like launch events, corporate presentations, internet marketing, direct and indirect marketing, site branding, newspaper advertisement, brochures etc.

OUR STRENGTHS



Prominent residential layout developers

Our promoters are amongst the prominent residential layout developers of Bangalore. Our primary business is the development of residential layouts/properties. Our Company has developed more than 20 Lakhs sq. ft of residential layouts spreading across Bangalore. Our Company is one of the prominent players in Mysore Road area. Our Company has successfully completed 7 projects and has 2 ongoing and 3 Upcoming projects in Bangalore.

Our development capabilities and strong execution skills

Our Company has demonstrated a strong track record in execution of real estate projects and has developed significant expertise and competencies in this field. Our Company aims to leverage its strengths to expand the real estate opportunities and grow the business at a significantly faster

pace. Since the very beginning, our Company has demonstrated strong vision and ability to capitalize and identify real estate opportunities. Our Company is currently focusing on opportunities to build a brand in Bangalore. The customers of the Company have been highly appreciative of the developmental activities carried out by the group, particularly with regards to the speed of execution, flexibility and property management services.

Established business and reputation for project execution

Our Company is amongst the prominent real estate developers. Our company enjoy the reputation for pioneering concepts in the realty market and ethical practices. Our Company is one of the early movers into the realty business to introduce the concept of “maintenance of land acquired by customers”. Under this concept, the Company shall maintain the land purchased by the customers at minimum cost to enable the customers to maintain and enhance their land value over period of time.

Experienced and dedicated management

Our Company have experienced and dedicated management team with an experience of over a decade. Because of the established brand name and reputation for project execution, they have been able to recruit high caliber employees. The employees are provided with competitive compensation packages and a corporate environment that encourages responsibility, autonomy and innovation. We believe that the experience of the management team and its in-depth understanding of the real estate market will enable us to continue to take advantage of both current and future market opportunities

Strategic locations of our projects

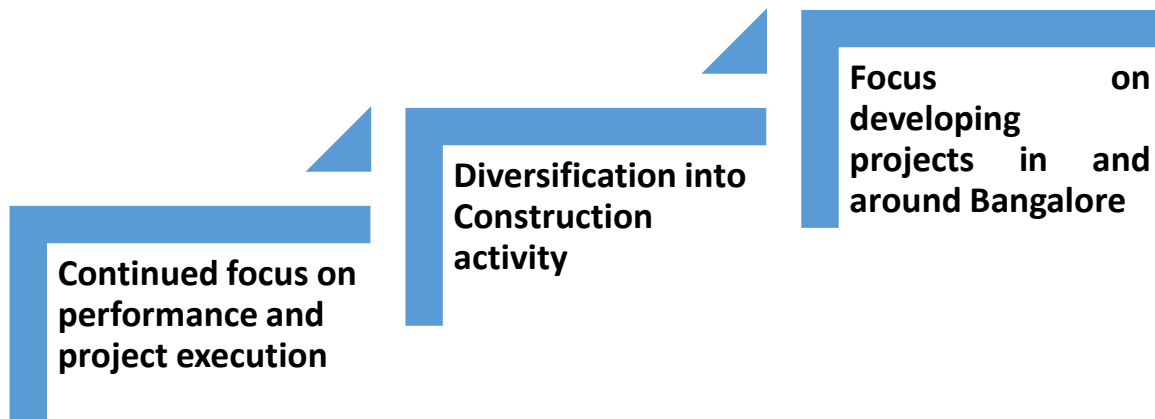
Our projects are strategically located. The projects are located in areas that are attractive and offer high growth potential

Marketing strategies

The core strength of the our company lies is its marketing strategies. A dedicated in-house team led by personnel with practical experiences in marketing concepts and strategies has provided the edge to compete successfully. Advertisements though being a substantial portion of the marketing activities, the maintenance of the PR with the customers appreciative of the group’s service offerings has carved the way for growing customer base through relationship network.

Good relationship with contractors, vendors and various other intermediaries

During the course of business, we interact with many intermediaries and having a good relationship with them helps us attain the timeline and solve other road blocks easily.



The key elements of our strategy are as under:

Continued focus on performance and project execution

We believe that we are a knowledge based organization with continued focus on research of our projects prior to zeroing of any deal. We also believe that we have the ability to leverage our balance sheet to take advantage of a favorable business cycle or market opportunity. We are known for our speed of execution, flexibility and property management services. We intend to continue our focus on quality and timeliness of our projects.

Diversification into Construction activity

Our primary business is the development of residential layouts/ properties. Our business operations comprise the identification and acquisition of land, planning and design, project execution followed by marketing and sale of the developed land/ projects. While we will continue to develop residential layouts, we also intend to foray into construction of affordable housing. Diversification is the key to the sustainability of any business. We believe that this forward integration will help us strengthen our roots in the real estate market in Bangalore.

Focus on developing projects in and around Bangalore

We intend to continue our focus on projects in and around Bangalore. We believe that Bangalore is an attractive market in terms of returns on investment, positioning of our products, depth of demand for real estate developments, etc.

PLANT & MACHINERY

Our Company does not own any plant and machinery as on the date of Prospectus. Our Company hires contractors and subcontractors for construction and development activities.

COLLABORATIONS

As on date, of this Prospectus our Company has not entered into any collaboration agreements except as entered into the normal course of Business for developmental rights.

UTILITIES & INFRASTRUCTURE FACILITIES

Our registered office at Bangalore, Karnataka, is well equipped with computer systems, internet connectivity, other communication equipment, security and other facilities, which are required for the smooth functioning of our business activity.

HUMAN RESOURCE

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for its kind of business.

As on date of this prospectus our Company has 18 employees excluding the Directors. Our manpower is a prudent mix of the experienced and youth which gives us the dual advantage of stability and growth. Our work processes and skilled resources together with our strong management team have enabled us to successfully implement our growth plans. In addition, we engage independent contractors to provide labours for site work.

Department wise break up:

| Department | No. of employees |
|--------------------------------|------------------|
| Finance & Account Department | 2 |
| Operations Department | 3 |
| Administration Department | 5 |
| Sales and Marketing | 2 |
| Legal & Secretarial Department | 6 |
| Total | 18 |

COMPETITION

The Industry which we cater to is highly competitive and fragmented and we face competition from various domestic real estate developers. Some of our competitors also have greater marketing and sales strategies and are also financially more competent than us.

SALES AND MARKETING

The efficiency of the marketing and sales network is critical success of our Company. Our marketing and research teams collaborate to design projects based on the demographics, socio-economic factors and market trends of the target group. We employ various marketing approaches like launch events, corporate presentations, internet marketing, direct and indirect marketing, site branding etc.

INSURANCE

We maintain insurance for standard fire and special perils policy, which provides insurance cover against loss or damage by fire, earthquake of our building located in Bangalore which we believe is in accordance with customary industry practices. Our Company has also taken insurance of the vehicles of the Company.

| Sl. No | Type of Insurance | Properties / Location covered |
|--------|---|--|
| 1. | Standard fire and special perils policy with add on | Our Company's premises situated at No. 1/1, Old No. 3, situated at 4 th Main, South Park Road, Nehru Nagar, |



| Sl. No | Type of Insurance | Properties / Location covered |
|--------|--------------------------------|------------------------------------|
| | of earthquake (fire and shock) | Seshadripuram, Bangalore – 560 020 |

LAND AND PROPERTY

I. Land & Property owned by the Company

| Sr.No. | Property Kind | Description of Property | Area | Vendors Details | Date of Purchase | Title |
|--------|-------------------|--|--------------|-------------------|------------------|-------|
| 1 | Freehold Property | No. 1/1, Old No. 3, situated at 4 th Main, South Park Road, Nehru Nagar, Seshadripuram, Bangalore – 560 020 | 1170 Sq. ft. | Balram K. Hassija | July 18, 2014 | Clear |

*Property part of the Fixed Asset of our Company has only been shown here

INTELLECTUAL PROPERTY



Our logo is not registered with the trademark authorities.

KEY INDUSTRY REGULATIONS AND POLICIES

The following description is a summary of certain sector specific Indian laws and regulations in India, which are applicable to the Company. The information detailed in this section has been obtained from publications available in the public domain. The laws and regulations set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice.

Except as otherwise specified in this Prospectus, Companies Act, 1956 / Companies Act, 2013, as may be applicable, taxation statutes such as the Income Tax Act, 1961 and other miscellaneous laws apply to the Company as they do generally to any other Indian company, and accordingly, have not been covered under this chapter. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

APPROVALS

For the purpose of the business undertaken by the Company, the Company is required to comply with various laws, statutes, rules, regulations, executive orders, etc that may be applicable to the Company from time to time. The details of such approvals have more particularly been described, for your reference, in the section titled “GOVERNMENT AND OTHER STATUTORY APPROVALS” starting from page no. 217 of this prospectus.

Applicable Laws and Regulations

Land Development

Transfer of Property Act, 1882

The Transfer of Property Act, 1882, as amended from time to time (***‘Transfer of Property Act’***), governs the law on transfer of immovable property in India. The Transfer of Property Act defines the term ‘transfer of property’ as an act by which a living person conveys property, in present or in future, to one or more other living persons, or to himself. The term ‘living person’ includes any company, association, or body corporate whether incorporated or not. The Transfer of Property Act also defines the term ‘Sale’ as a transfer of ownership in exchange for a price paid or promised or part paid or promised. The Transfer of Property Act also sets out the rights and liabilities of a buyers and sellers. The Transfer of Property Act also governs mortgage of immovable property, setting out the rights and liabilities of the mortgagor and mortgagee. The Transfer of Property Act also governs the lease of immovable property. The Transfer of Property Act defines ‘lease’ as a transfer of a right to enjoy a property, made for a certain time, express or implied, or in perpetuity, in consideration of a price paid or promised, or of money, a share of crops, services or any other thing of value.

Registration Act, 1908

The Registration Act, 1908, as amended from time to time (***‘Registration Act’***), sets out the law on registration of documents. The Registration Act requires that certain documents be registered to give effect to them. Particularly in the case of the following documents:

- a. any document gifting of immovable property;
- b. any other, non-testamentary instrument with purport or operate to create, declare, assign, limit or extinguish, whether in present or in the future, any right, title or interest, whether vested or contingent, of the value of one hundred rupees or more, to or in immovable property;

- c. non-testamentary instrument which acknowledges the receipt or payment of consideration on account of the creation, declaration, assignment, limitation or extinction of any such right or title or interest;
- d. lease of immovable property from year to year, or any term exceeding one year, or receiving a yearly rent; and
- e. non-testamentary instruments transferring or assigning any decree or order of the court or any order or award purports or operates to create, declare, assign, limit or extinguish whether in the present or in the future, any right, title or interest, whether vested or contingent, of the value of one hundred rupees or more, to or in immovable property.

In the event that a document that is required to be registered under the Registration Act is not registered, it shall not (a) affect any immovable property comprised therein, or (b) confer any power to adopt, or (c) be received as evidence of any transaction affecting such property or conferring such power unless it has been registered under the provision of the Registration Act. However, an unregistered document affecting immovable property and required by the Registration Act or the Transfer of Property Act to be registered may be received as evidence of a contract in a suit for specific performance under the Specific Relief Act, 1877 or as evidence of any collateral transaction not required to be effected by a registered instrument.

Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013

The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013, as amended from time to time (***'Land Acquisition Act'***), ensures a fair and transparent process for land acquisition for industrialization, development of essential infrastructural facilities and urbanization with the least disturbance to the owners and provides just and fair compensation to the affected families whose land have been acquired or are proposed to be acquired or are affected by such acquisition and make adequate provisions for such affected persons for their rehabilitation and resettlement. The Land Acquisition Act requires that a social impact assessment be conducted wherever the Government intends to acquire land. The Land Acquisition Act requires that the Government ensure that the social impact assessment report is evaluated by an independent multi-disciplinary Expert Group, as may be constituted by it. The Land Acquisition Act provides for the establishment of one or more authorities to be known as "the Land Acquisition, Rehabilitation and Resettlement Authority" for ensuring a speedy disposal of disputes relating to land acquisition, compensation, rehabilitation and resettlement.

Indian Easement Act, 1882

The Indian Easement Act, 1882, as amended from time to time (***'Easement Act'***), defines the law relating to easements and licenses in India. The Easement Act defines the term 'easement' as a right which the owner or occupier of certain land possesses in or upon, or in respect of, certain other land not his own:

- a. for the beneficial enjoyment of that land; or
- b. to do and continue to do something; or
- c. to prevent and continue to prevent something being done.

The Easement Act also defines the term 'license' as a right to do, or continue to do, in or upon the immovable property of the grantor of the license, something which would, in the absence of such right be unlawful. Such right should not amount to an easement or an interest in the property.

Labour Laws

Employee State Insurance Act, 1948

The Employee State Insurance Act, 1948, as amended from time to time (**'ESI Act'**), provides for certain benefits to employees in case of sickness, maternity and employment injury. The ESI Act provides the establishment of the Employee's State Insurance Corporation. The ESI Act governs the working and management of the Employee's State Insurance Corporation. The ESI Act requires the principal employer to pay both the employer and employees contribution. The ESI Act defines the term 'principal employer' as a person responsible for the supervision and control of the establishment.

The Employees' Provident Funds and Miscellaneous Provisions Act, 1952

The Employees Provident Funds and Miscellaneous Provisions Act, 1952, as amended from time to time (**'EPF Act'**), provides for institution of a provident fund, pension fund and deposit linked insurance in factories and other establishments for the benefit of the employees. The EPF Act applies to all establishments engaged in any industry specified in Schedule I (of the EPF Act) that employ 20 (twenty) or more persons and to any other establishment employing 20 (twenty) or more persons or class of such establishments which the Central Government may specify by a notification.

The Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965, as amended from time to time (**'Bonus Act'**), provides for payment of bonus based on profit or based on production or productivity of the employee employed in factories or in establishments employing 20 (twenty) or more persons on any day during an accounting year. The Bonus Act requires employers to pay every employees a minimum bonus regardless of whether the employer has any allocable surplus in the accounting year in which the bonus is payable. Under the Bonus Act, the employer is bound to pay to every employee, in respect of the accounting year, a minimum bonus equal to 8.33% of the salary or wage earned by the employee during the accounting year or Rupees Hundred, whichever is higher.

The Payment of Gratuity Act, 1972

The Payment of Gratuity Act, 1972, as amended from time to time (**'Gratuity Act'**), provides for payment of gratuity, to an employee, at the time of termination of his services. Gratuity is payable to an employee on the termination of his employment after he has rendered continuous service for not less than five years:

- a. on his superannuation;
- b. on his retirement or resignation; and
- c. on his death or disablement due to accident or disease (in this case the minimum requirement of five years does not apply).

The Gratuity Act establishes a scheme for the payment of gratuity to employees engaged in every factory, mine, oilfield, plantation, port, railway company, shop and establishment in which 10 (ten) or more persons are employed or were employed on any day of the preceding 12 (twelve) months and in such other establishments in which 10 (ten) or more persons are employed or were employed on any day of the preceding 12 (twelve) months, as the Central Government may specify by notification. The maximum amount of gratuity payable to an employee is Rupees Ten Lakh.



Payment of Gratuity (Karnataka) Rules, 1973 ('Rules') are applicable to the Company. The Rules provide procedures for, amongst others, application for gratuity and mode of its payment.

Employee's Compensation Act, 1923

The Employees' Compensation Act, 1923, as amended from time to time (**'Compensation Act'**) aims to provide employees or their dependents, compensatory payment, in case of accidents arising out of and in course of employment and causing the death or disablement of employees. The Compensation Act specifies the quantum of compensation to be paid which must be paid as soon as it falls due; in the event, the employer defaults in payment of compensation he can be held liable to pay penalty for the default. The Compensation Act requires employers to report all fatal accidents and serious bodily injuries to the Commissioner giving the details of the circumstances causing the death or serious bodily injury. However, no such report is required to be submitted for incidents occurring in factories to which Employee's State Insurance Act, 1948 applies.

The Karnataka Workmen's Compensation Rules, 1966 ('Rules') are applicable to the company. They provide the duties and obligations and the consequences of non-compliance under the Compensation Act.

Minimum Wages Act, 1948

The Minimum Wages Act, 1948, as amended from time to time (**'Minimum Wages Act'**), was enacted to provide for fixing minimum rates of wages in certain employments. The Minimum Wages Act provides for a procedure of fixing minimum wage rate. Under the Minimum Wage Act, the failure to adhere to the minimum rates of wages fixed is in the form of liability to prosecution and punishment in the form of imprisonment of up to six months and/or fines of up to Rupees Five Hundred. Further, employees who have been paid less than the minimum wage are entitled to the payment of the shortfall amount, together with compensation, which may extend up to ten times the shortfall amount.

The Karnataka Minimum Wages, Rules, 1958 ('Rules') are also applicable to the state of Karnataka and to the Company. The Rules govern procedural aspects of the Minimum Wages Act.

Payment of Wages Act, 1936

Payment of Wages Act, 1936, as amended from time to time (**'Wages Act'**) is aimed at regulating the payment of wages to certain classes of persons employed in certain specified industries. The Wages Act assigns the responsibility for payment of wages, fixing of wage periods, time of payment of wages, and maintenance of registers and records on the employer. The Wage Act applies to persons employed in a factory, industrial or other establishment or in a railway, either directly or indirectly, through a sub-contractor. The Wages Act is applicable to employees drawing wages up to Rupees Eighteen Thousand per month.

The Karnataka Payment of Wages (Procedural) Rules, 1963 and the Karnataka Payment of Wages Rules, 1963 govern the procedural aspects of the Wages Act.

Maternity Benefit Act, 1961

Maternity Benefit Act, 1961, as amended from time to time (**'Maternity Benefit Act'**), is aimed at regulating the employment of women in certain establishments for certain periods before and after child birth and for providing for maternity benefit and certain other benefits. The Maternity Benefit Act applies to every establishment i.e. a factory, mine or plantation including any such establishment belonging to government and to every establishment wherein persons are employed for the

exhibition of equestrian, acrobatic and other performances. The Maternity Benefit Act also applies to every shop or establishment wherein ten or more persons are employed or were employed on any day of the preceding twelve months.

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

The Karnataka Maternity Benefits Rules, 1966 governs the procedural aspects of the Maternity Benefit Act.

Equal Remuneration Act, 1976

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

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

The Child Labour (Prohibition & Regulation) Act, 1986

The Child Labour (Prohibition & Regulation) Act, 1986, as amended from time to time (***'Child Labour Act'***) was enacted to prohibit the engagement of children below the age of fourteen years in certain specified occupations. Under the Child Labour Act, no child is required or permitted to work in any establishment in excess of the prescribed number of hours for such establishment or class of establishments. The Child Labour Act provides that every child employed in an establishment must be allowed in each week, a holiday of one whole day, which day shall be specified by the occupier in a notice permanently exhibited in a conspicuous place in the establishment and the occupier shall not alter the day so specified more than once in three months.

The Child Labour (Prohibition & Regulation) (Karnataka) Rules, 1998, are also applicable to the Company and govern the procedural aspects of the Child Labour Act.

The Industrial Disputes Act, 1947

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



the constitution of grievance settlement machineries in any establishment having twenty or more workers.

Industrial Disputes (Karnataka) Rules, 1957 ('Rules') also applicable to the state of Karnataka and to the Company. The Rules govern the procedural aspects of the ID Act.

The Industrial Employment (Standing Orders) Act, 1946

The Industrial Employment (Standing Orders) Act, 1946 as amended from time to time (***'Standing Orders Act'***) applies to every industrial establishment where hundred or more workers are/were employed on any day of the preceding twelve months. It applies to every worker employed in an industrial establishment but excludes workers employed in a managerial or administrative capacity and workers employed in a supervisory capacity and drawing wages more than Rupees Ten Thousand per month. Under the Standing Orders Act, standing orders are to be framed in order to standardize the service conditions of the workers in industrial establishments. The standing orders are to be displayed prominently in the establishment in English and the language understood by the workers near the entrance of the establishment and all departments.

The Karnataka Industrial Employment (Standing Orders) Rules, 1961 and the Karnataka Industrial Employment (Standing Orders) Rules, 1961 ('Rules') are also applicable to the State of Karnataka and, therefore, to the Company. These Rules provide for the duties and obligations and consequences of the non-compliance of the Standing Orders Act and govern the procedural aspects of the Standing Orders Act.

The Trade Union Act, 1926

The Trade Union Act, 1926 as amended from time to time (***'Trade Union Act'***) provides for registration of trade unions (including association of employers) with a view to render lawful organization of labour to enable collective bargaining. The Trade Union Act also confers certain protection and privileges on a registered trade union.

No trade union shall be registered unless a minimum of seven workers engaged or employed in the establishment or industry with which it is connected are the members of such trade union on the date of making of application for registration. However, a trade union shall not be registered unless at least ten per cent or one hundred of the workers, whichever is less, engaged or employed in the establishment or industry with which it is connected are the members of the Trade Union on the date of making of application for registration.

Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979

The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 as amended from time to time (***'Migrant Workmen Act'***) is applicable to an establishment which or a contractor who, employs five or more Inter-State migrant workers recruited from one State for employment in another State. The inter-State migrant workers, in an establishment to which the Migrant Workmen Act becomes applicable, are required to be provided with certain facilities such as housing, medical aid, travel expenses etc.

Shops and Establishment Acts

Establishments are required to be registered under the provisions of local shops and establishments legislation applicable in the relevant states. The objective of the act, irrespective of the state, is to regulate the working and employment conditions of worker employed in shops and establishments including commercial establishments. The act provides for fixation of working hours, rest intervals,

overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

The Karnataka Shops and Commercial Establishments Act, 1961 govern the Company's shops and establishments in Karnataka.

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

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 as amended from time to time (**'SHWW Act'**) provides for the protection of women at work place and prevention and redressal of sexual harassment complaints at the work place. The SHWW Act provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behavior namely, physical contact and advances or a demand or request for sexual favors or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature.

The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee presided upon by a woman employed at a senior level. As per the SHWW Act, a written complaint must be made within a period of three months from the date of the incident. If the establishment has less than ten employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee constituted under the SHWW Act.

Anti-Trust Laws

Competition Act, 2002

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

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

Tax Laws

Central Excise Act, 1944

Excise duty is levied on production of goods but the liability of excise duty arises only on removal of goods from the place of storage, i.e., factory or warehouse. Unless specifically exempted, excise duty is levied even if the duty was paid on the raw material used in production. The basic rate of excise duty is 12%. There is at present an education cess, which is 3% of the excise duty; therefore, the effective excise duty comes out as 12.3%.

Central Sales Tax Act, 1956

Central sales tax is levied on interstate sale of goods. The Central Sales Tax Act, 1956, as amended from time to time (**'Central Sales Tax Act'**) formulates principles for determining (a) when a sale or purchase takes place in the course of inter-state trade or commerce; (b) when a sale or purchase



takes place outside a State and (c) when a sale or purchase takes place in the course of imports into or export from India. The Central Sales Tax Act provides for levy, collection and distribution of taxes on sales of goods in the course of inter-state trade or commerce and also declares certain goods to be of special importance in inter-State trade or commerce and specifies the restrictions and conditions to which state laws imposing taxes on sale or purchase of such goods of special importance are subject to. Sale is considered inter-state when the sale occasions movement of goods from one state to another or is effected by transfer of documents during their movement from one state to another. The liability to pay tax is on the dealer who sells the goods.

Law on Value Added Tax

Value Added Tax (**'VAT'**) is a tax on the final consumption of goods or services. It is a multi-stage tax with the provision to allow input tax credit on tax at an earlier stage, which can be appropriated against the VAT liability on subsequent sale. This input tax credit in relation to any period means setting off the amount of input tax by a registered dealer against the amount of his output tax. The VAT liability of the dealer/manufacturer is calculated by deducting input tax credit from tax collected on sales during the payment period.

VAT is covered under entry 54 of the State List. Each state government has enacted its respective VAT act for levying and collecting VAT in their respective states. *Karnataka Value Added Tax Act, 2003* is applicable to the establishments of the Company.

The Karnataka Tax On Professions, Traders, Callings and Employments Act, 1976

The Karnataka Tax On Professions, Traders, Callings And Employments Act, 1976, as amended from time to time (**'Professional Tax Act'**), provides the professional tax slabs in India and is applicable to persons who are either involved in any profession or trade. The professional tax payable under the Professional Tax Act 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. Every employer must obtain the registration under the Professional Tax Act from the assessing authority in the prescribed manner.

POLICES APPLICABLE

Foreign Direct Investment

Under paragraph 6.2.5 of the current consolidated FDI Policy, effective from 12 May 2015, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, including any modifications thereto or substitutions thereof, issued from time to time, (**'Consolidated FDI Policy'**), foreign direct investment in micro and small enterprises will be subject to sectoral caps, entry routes and other sectoral regulations. The current FID Policy prohibits foreign investment in the following sectors:

- a. Lottery Business including government and private lottery, online lotteries etc;
- b. Gambling and Betting including casinos;
- c. Chit funds;
- d. Nidhi Company;
- e. Real Estate Business or Construction of Farm Houses;
- f. Trading in Transferable Development Rights;

- g. Manufacturing of Cigars, Cheroots, Cigarillos and Cigarettes, of tobacco or of tobacco substitutes;
- h. Activities/sectors not open to private sector investment e.g.: Atomic Energy and Railway operations (other than permitted activities mentioned in the Consolidated FDI Policy)

The FDI Policy does allow investment in the 'Construction Development: Townships, Housing, and Built-up Infrastructures' up to 100% under the automatic route subject to the following conditions:

- a. Minimum area to be developed under each project is as under:
 - i. In case of development of serviced plots, no minimum land area requirement.
 - ii. In case of construction development projects, a minimum floor area of 20,000 sq. meter.
- b. The Investee company is required to bring minimum FDI of US\$ 5 million within six months of commencement of the project. The commencement of the project is the date of approval of the building plan/lay out plan by the relevant statutory authority. Subsequent tranches of FDI can be brought in for within a period of ten years from the commencement of the project or before the completion of project, whichever expires earlier.
- c. The investor is permitted to exit on completion of the project or after development of trunk infrastructure i.e. roads, water supply, street lighting, drainage and sewerage.
- d. The Government may, in view of facts and circumstances of a case, permit repatriation of FDI or transfer of stake by one non-resident investor to another non-resident investor, before the completion of project. These proposals will be considered by FIPB on case to case basis inter-alia with specific reference to Note (a).
- e. The Indian investee company will be responsible for obtaining all necessary approvals, including those of the building/layout plans, developing internal and peripheral areas and other infrastructure facilities, payment of development, external development and other charges and complying with all other requirements as prescribed under applicable rules/bye-laws/regulations of the State Government/Municipal/Local Body concerned.
- f. The project must conform to the norms and standards, including land use requirements and provision of community amenities and common facilities, as laid down in the applicable building control regulations, bye-laws, rules and other regulations of the State Government/Municipal/Local Body concerned.
- g. The Indian investee company will be permitted to sell only developed plots. For the purposes of this policy "developed plots" will mean plots where trunk infrastructure i.e. roads, water supply, street lighting, drainage and sewerage, have been made available.
- h. The Indian investee company shall be responsible for obtaining all necessary approvals, including those of the building/layout plans, developing internal and peripheral areas and other infrastructure facilities, payment of development, external development and other charges and complying with all other requirements as prescribed under applicable rules/bye-laws/regulations of the State Government/Municipal/Local Body concerned.

Note:

- a. FDI is not permitted in an entity engaged in or proposes to engage in real estate business, construction of farm houses and trading in transferable development rights.

- b. “Real estate business” means dealing in land and immovable property with a view to earning profit or earning income therefrom and does not include development of townships, construction of residential/ commercial premises, roads or bridges, educational institutions, recreational facilities, city and regional level infrastructure, townships.
- c. Conditions (a) to (d) above, do not apply to Hotels & Tourist Resorts, Hospitals, Special Economic Zones (SEZs), Educational Institutions, Old Age Homes and investment by NRIs.
- d. Conditions (a) and (b) above, also do not apply to investee/joint venture companies which commit at least 30 percent of the total project cost for low cost affordable housing.
- e. An Indian company, which is the recipient of FDI, shall procure a certificate from an architect empanelled by any Authority, authorized to sanction building plan to the effect that the minimum floor area requirement has been fulfilled.
- f. ‘Floor area’ will be defined as per the local laws/regulations of the respective State governments/Union territories.
- g. Completion of the project will be determined as per the local bye-laws/rules and other regulations of State Governments.
- h. Project using at least 40% of the FAR/FSI for dwelling unit of floor area of not more than 140 square meter will be considered as Affordable Housing Project for the purpose of FDI policy in Construction Development Sector. Out of the total FAR/FSI reserved for Affordable Housing, at least one-fourth should be for houses of floor area of not more than 60 square meter.
- i. 100% FDI under automatic route is permitted in completed projects for operation and management of townships, malls/ shopping complexes and business centres.

OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

Our Company was incorporated as “Sri Krishna Constructions (India) Private Limited” in Bangalore, Karnataka, as a private limited company under the provisions of the Companies Act, 1956 vide certificate of incorporation dated December 5, 2005 bearing Corporate Identification Number U45201KA2005PTC037848 issued by Registrar of Companies, Karnataka, Bangalore. Our Company was converted in to public company *vide* fresh certificate of incorporation consequent upon conversion from private to public company dated June 29, 2015 issued by Registrar of Companies, Karnataka, Bangalore. Our Corporate Identification Number is U45201KA2005PLC037848.

Kailash Dubal and Jignesh Dubal are promoters of our Company.

Kailash Dubal and Rajshekar K S were the initial subscribers to the Memorandum of Association of our Company. Kailash Dubal, Promoter of the Company was subscriber to the Memorandum and Jignesh Dubal, Promoter of the Company acquired shares in our Company through purchase of shares from Rajshekar K S on October 14, 2008. The Promoters have acquired further equity shares in our Company since then. The details in this regard have been disclosed in the section “*Capital Structure*” on page 71 of this Prospectus.

Rajshekar K S has disassociated himself from the Company by transferring 5,00,000 Equity Shares and 1,25,000 Preference Shares on October 14, 2008.

Our Company is engaged in the development of residential layouts/ properties. The business operations comprise the identification/acquisition of land and development and marketing the land/ projects. For further information regarding our business activities, our growth, standing with reference to prominent competitors, management, major suppliers and customers please refer the sections “*Our Business*”, “*Our Industry*” and “*Our Management*” beginning on page no 122, 108 and 145 respectively of this Prospectus.

CHANGE OF REGISTERED OFFICE

At the time of Incorporation, our Registered Office was situated at: No. 11, Focal Centre, OTC Road, Bangalore – 560002 India. Subsequently, our Registered Office was shifted to:

| Date | From | To | Reasons |
|-------------------|--|--|--------------------------------|
| April 6, 2006 | No. 1101, Focal Centre, OTC Road, Bangalore – 560002 | No. 238, C V Road, RMV Extension, Bangalore – 560094 | For Administrative Convenience |
| November 22, 2008 | No. 238, C V Road, RMV Extension, Bangalore – 560094 | # 1603/A, 17 th Main Road, 3 rd ‘A’ Cross, J.P. Nagar, 2 nd Phase, Bangalore - 560078 | For Administrative Convenience |
| October 16, 2009 | # 1603/A, 17 th Main Road, 3 rd ‘A’ Cross, J.P. Nagar, 2 nd Phase, Bangalore - 560078 | No. 1, 4 th Main Road, Nehru Circle, Sheshadripuram, Bangalore - 560020 | For Administrative Convenience |

All changes in registered office are within the local limits of city; Bangalore and hence only Board Resolution was passed.

KEY EVENTS AND MILESTONES IN THE HISTORY OF OUR COMPANY

| Period | Event |
|---------------|--|
| December 2005 | Incorporation of the Company |
| 2005 | Commencement of our first project “Sri Krishna Gardens – Phase III” at Kengeri |
| 2009 | Commencement of our first owned project “Citadel” at Jigani |
| 2015 | Diversification into construction of Apartments and Villas |

OUR MAIN OBJECTS

The main objects of our Company, as contained in our Memorandum of Association, are as set forth below:

- To own and acquire lands either as owner or as lessees or licensees and to construct thereon any kind of building flats, tenements, houses, apartments or nay other super structures and to sell or lease such land and/or building flats, tenements, apartments, houses or other super structures.*
- To purchase, sell, develop, take in exchange or on lease, hire or otherwise acquire, whether for investment for sale or working the same, any real or personal estate including lands, mines, business, buildings, factories, mill, houses, cottages, shops, depots, warehouses, machines, plant, stock-in-trade, mineral rights, concessions, privileges, licenses, easement or interest in or with respect to any property whatsoever for the purpose of the Company in consideration for a gross sum or rent or partly in one way and partly in the other or for any other consideration and to carry on business of proprietors of flats and buildings and to let on lease or otherwise, apartments therein and to provide for the conveniences commonly provided in flats, suits and residential and business quarters.*
- To construct, develop holiday resorts, farm houses and housing colonies in various places of tourist importance and attraction with a view to promote tourism, build cottages, houses, flats, rooms, suites of all types and develop plots wherever located and to sell, give on lease or on outright sale basis or otherwise transfer on vocation time share or property share basis by days, weeks, months or such convenient durations and to do and deal in the said manner with any undivided share with or without holiday exchanges basis, both in India and outside (outright sale basis) and to act as agents, to manage health and holiday resorts owned by bodies corporate formed, incorporated or managed In India or abroad.*
- To carry on and do the business as land developers, townships developers, satellite town promoters, developers or housing colonies, real estate dealers by developing and turning to account any land acquired and in particular by laying out, providing conveniences like roads, drainages, play grounds, recreation facilities, prayer halls, community hall, water and power facilities, theatres, constructing residential, commercial accommodations and selling them or ownership basis, hire purchase basis or letting them out on lease or rental basis.*
- To build, construct, improve, maintain, develop, enlarge, pull down, remove or replace and to work, manage and control, maintain and run any buildings, roads, railways, runways, bridges, culverts, dams, reservoirs, branches or sidings, water courses, sewers, channels, tunnels, wharves, factory buildings, industrial establishments, hotels, commercial establishments, mills, sheds, shops, schools, colleges, educational institutions, hospitals, warehouses, residential flats, cinema theatres, fun world, water sports and other convenience and to provide civil constructions.*

AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

Since incorporation, the following changes have been made to our Memorandum of Association

| Date of Shareholder's Approval | Amendment |
|--------------------------------|---|
| February 24, 2006 | The initial authorised share capital of Rs. 1,00,00,000 consisting of 10,00,000 Equity Shares of Rs. 10/- each was increased to Rs. 2,00,00,000 consisting of 10,00,000 Equity Shares of Rs. 10/- each and 10,00,000 Preference Shares of Rs. 10/- each. |
| June 16, 2015 | The authorised share capital of Rs. 2,00,00,000 consisting of 10,00,000 Equity Shares of Rs. 10/- each and 10,00,000 Preference Shares of Rs. 10/- each was increased to Rs. 11,00,00,000 consisting of 1,00,00,000 Equity Shares of Rs. 10/- each and 10,00,000 Preference Shares of Rs. 10/- each |
| June 16, 2015 | Clause I of the Memorandum of Association of the Company changed to reflect changed name of the Company as "Sri Krishna Constructions (India) Limited" on conversion of the Company into a Public Company. |
| June 18, 2015 | Reclassification of the authorised share capital of Rs. 11,00,00,000 divided into 1,00,00,000 Equity Shares of Rs. 10/- each and 10,00,000 Preference Shares of Rs. 10/- each to authorised share capital of Rs. 11,00,00,000 divided into 1,10,00,000 Equity Shares of Rs. 10/- each. |

HOLDING COMPANY OF OUR COMPANY

Our Company has no holding company as on this date of filing of this Prospectus.

SUBSIDIARY COMPANY OF OUR COMPANY

There is no subsidiary of our Company as on this date of filing of this Prospectus.

PROMOTERS OF OUR COMPANY

The promoters of our Company are Kailash Dubal and Jignesh Dubal. For details, see "*Our Promoter and Promoter Group*" beginning on page 162 of this Prospectus

CAPITAL RAISING ACTIVITIES THROUGH EQUITY OR DEBT

For details regarding our capital raising activities through equity and debt, refer to the section titled "*Capital Structure*" beginning on page 71 of this Prospectus.

INJUNCTIONS OR RESTRAINING ORDERS

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

MERGERS AND ACQUISITIONS IN THE HISTORY OF OUR COMPANY

Our Company has not merged/amalgamated itself nor has acquired any business/undertaking, since incorporation.



SHAREHOLDERS AGREEMENTS

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

OTHER AGREEMENTS

Our Company has not entered into any agreements/arrangement except under normal course of business of the Company, as on the date of filing of this Prospectus.

STRATEGIC/ FINANCIAL PARTNERS

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

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS OR BANKS

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

CONVERSION OF LOANS INTO EQUITY SHARES

There have been no incident of conversion of loans availed from financial institutions and banks into Equity Shares as on the date of this Prospectus.

CHANGE IN ACTIVITIES OF OUR COMPANY IN THE LAST FIVE YEARS

Our Company was incorporated on December 5, 2005. Since incorporation, we have not changed the activities of our Company.

STRIKES AND LOCKOUTS

There have been no strikes or lockouts in our Company since incorporation.

REVALUATION OF ASSETS

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

TIME AND COST OVERRUNS IN SETTING UP PROJECTS

As on the date of this Prospectus, there have been no time and cost overruns in any of the projects undertaken by our Company.

NUMBER OF SHAREHOLDERS

Our Company has 7 shareholders as on date of this Prospectus.

OUR MANAGEMENT

BOARD OF DIRECTORS

Under our Articles of Association we are required to have not less than 3 directors and not more than 15 directors, subject to the applicable provisions of the Companies Act. We currently have eight directors on our Board.

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

| Sr. No. | Name, Father's/Husband's Name, Designation, Address, Occupation, Nationality, Term and DIN | Date of Appointment as Director | Other Directorship |
|---------|--|---|---|
| 1. | Name: Kailash Dubal Age: 39 years Father's Name: Dharendra Dubal Designation: Chairman and Managing Director Address: M-1104, Brigade Gateway, Dr. Rajkumar Road, Malleshwaram West, Bangalore, 560055, Karnataka, India Occupation: Business Nationality: Indian Term: 5 years DIN: 01771805 | Appointment as Director on December 05, 2005 Appointment as Managing Director June 22, 2015 | Public Limited Company – Nil Private Limited Company - Concept City Hotels & Hospitality Private Limited |
| 2. | Name: Jignesh Dubal Age: 35 years Father's Name: Dharendra Dubal Designation: Director and Chief Financial Officer Address: Meadows 4, Good Earth Orchard, Doddaballe Road, Kengeri, Bangalore, 560060, Karnataka, India Occupation: Business Nationality: Indian Term: Liable to be retire by rotation DIN: 02210175 | Appointment as Director on September 26, 2008 Regularization as Director on July 31, 2009 | Public Limited Company – Nil Private Limited Company - Concept City Hotels & Hospitality Private Limited |
| 3. | Name: Bhavika Dubal Age: 36 years Father's Name: Pravin Chandra Giridharlal Bosmiya Husband's Name: Kailash Dubal Designation: Director Address: M-1104, Brigade Gateway, Dr. Rajkumar Road, Malleshwaram, Bangalore, 560055, Karnataka, India Occupation: Business Nationality: Indian | Appointment as Additional Director on April 27, 2015 Regularization as Director on June 17, 2015 | Public Limited Company – Nil Private Limited Company – Nil |

| Sr. No. | Name, Father's/Husband's Name, Designation, Address, Occupation, Nationality, Term and DIN | Date of Appointment as Director | Other Directorship |
|---------|---|--|--|
| | Term: Liable to be retire by rotation DIN: 07169234 | | |
| 4. | Name: Sunil Surana Age: 37 years Father's Name: Devichand Surana Designation: Non Executive Director Address: #8, 4 th Cross, A M Lane, B/H BB Bakery, Chickpet Cross, Bangalore, 560053, Karnataka Occupation: Professional Nationality: Indian Term: Liable to retire by rotation DIN: 01543337 | Appointment as Non Executive director on June 22, 2015 | Public Limited Company – Jupiter City Developers (India) Limited Private Limited Company 1. MOI Ventures Private Limited 2. Ipsum Proadvisors Private Limited 3. Pujashakthi Temple Services Private Limited |
| 5. | Name: Mahesh Soneji Age: 64 years Father's Name: Liladhar Soneji Designation: Independent Director Address: Flat 10, 2 nd Floor, Plot No. 130, Sitasadan CHS Ltd., Jain Society Sion (West), Mumbai-400022 Occupation: Professional Nationality: Indian Term: 5 years DIN: 00056456 | Appointment as Independent Director on June 16, 2015 | Public Limited Company - Nil Private Limited Company - Mirae Asset Trustee Company Private Limited |
| 6. | Name: Pradeepa Dansale Age: 51 years Father's Name: Ramegowda Danasale Designation: Independent Director Address: No 158, 2nd Cross, Central Excise Layout, Boopasandra, Bangalore, 560094, Karnataka Occupation: Business Nationality: Indian Term: 5 years DIN: 07218972 | Appointment as Independent Director on June 22, 2015 | Public Limited Company – Nil Private Limited Company - Nil |
| 7. | Name: Rashotham Devale Age: 61 years Father's Name: Krishna Rao Devale Designation: Independent Director Address: #251/GF, 1 Block, B Elegant | Appointment as independent director on June 22, 2015 | Public Limited Company - Nil Private Limited Company - Nil |

| Sr. No. | Name, Father's/Husband's Name, Designation, Address, Occupation, Nationality, Term and DIN | Date of Appointment as Director | Other Directorship |
|---------|--|--|---|
| | Embassy, 3, Halagevaderahalli, Rajrajeshwari Nagar, Bangalore 560098, Karnataka Occupation: Professional Nationality: Indian Term: 5 years DIN: 07215799 | | |
| 8. | Name: Vivek Shah Age: 27 years Father's Name: Umesh Shah Designation: Independent Director Address: #419, 10 th Cross, 17 th Main Near Venkateshwara Temple, J P Nagar 2 nd Phase, Bangalore South, J P Nagar, Bangalore -560078, Karnataka Occupation: Business Nationality: Indian Term: 5 years DIN: 07215797 | Appointment as Independent Director on June 22, 2015 | Public Limited Company - Nil Private Limited Company – Nil |

BRIEF BIOGRAPHIES OF OUR DIRECTORS

- Kailash Dubal, Managing Director**

Kailash Dubal, aged approximately 39 is the Managing Director of our Company with effect from June 22, 2015. He has been Director of our Company since incorporation. He has more than a decade of experience in Real Estate industry. He looks after overall business including marketing and public relations of our Company.

- Jignesh Dubal, Director**

Jignesh Dubal, aged approximately 35 is the Director and Chief Financial Officer of our Company with effect from September 26, 2008 and has been designated as the Chief Financial Officer of the Company from June 22, 2015. He has completed Bachelors in Business Management from Bangalore University in the year 2000 and has more than seven years of experience in the Real Estate industry. He heads finance and sales department our Company.

- Bhavika Dubal, Director**

Bhavika Dubal aged approximately 36 years, is a Director of our Company. She was appointed as Additional Director of our Company on April 27, 2015 and was regularized as Director on June 17, 2015. She has completed Diploma in Commercial Practice (New) in Computer Group from Technical Examination Board, Gujarat State, Gandhinagar. She looks after the HR Department of our Company.

- **Sunil Surana, Non Executive Director**

Sunil Surana aged approximately 37 years, is a Non Executive Director of our Company. He was appointed as Director of our Company on June 22, 2015. He is a commerce graduate from Bangalore University and a fellow member of the Institute of Chartered Accountants of India. He assists the Board in accounting and finance related aspects.

- **Mahesh Soneji, Independent Director**

Mahesh Soneji, aged approximately 64 is the Independent Director of our Company with effect from June 16, 2015.

Additionally, Mahesh Soneji carried out responsibilities as Officiating MD & CEO at BSE Ltd from August 2008 to May 2009. He was the Chairman of Indian Clearing Corporation Ltd. (wholly owned subsidiary of BSE Ltd.) and Nominee Director on the Board of Calcutta Stock Exchange Ltd. He was also the Trustee of the Investors Protection Fund and Member of Committees viz. Disciplinary Action, Listing Approval, Index etc. Mahesh Soneji held various senior management positions at National Stock Exchange from July 1997 to March 2007, including Director & CEO of National Securities Clearing Corporation (100% subsidiary of NSE), Director on the Board of IISL viz. VP, SVP and Director, for core stock exchange operations. He was the Chairman of South Asian Federation of Exchanges during his tenure at BSE Ltd.

Mahesh Soneji was Executive Director (CEO) from October 1987 to June 1997, when online screen based trading started. He was ex-officio board member, and also ex-officio Trustee of Investors Protection Fund.

Mahesh Soneji contributed significantly both at policy and implementation levels for over two decades being part of many committees appointed by earlier Ministry of Finance, Government of India and then by SEBI.

He was on various Committees appointed by MOF and SEBI viz. Uniform Rules & Bye-laws, Delisting, Risk Management, Surveillance, Secondary Market, Primary Market Advisory, Delisting, etc.

Besides the above assignments, he had over 13 years association with Voltas Ltd. both at Ahmedabad and HO, Mumbai. He also had a brief association with Gujarat Insect Ltd., Baroda (a joint venture of Govt. of Gujarat through GIC), as Company Secretary. He is an Independent Director on the Board of Mirae Asset Trustee Co. P. Ltd., Mumbai (with prior approval by SEBI) and a Member on the Grading Committee of CARE Ratings, Mumbai.

- **Pradeepa Danasale, Independent Director**

Pradeepa Ramegowda Danasale, aged approximately 51 is the Independent Director of our Company with effect from June 22, 2015. He provides his independent judgment to the Company and act as a supervisor and a mentor.

- **Rashotham Devale, Independent Director**

Rashotham Devale, aged approximately 61 is the Independent Director of our Company with effect from June 22, 2015. He holds a degree of Bachelor of Science from Karnatak University. He is a Certified Associate of Indian Institute of Bankers and is retired as Assistant General Manager from Bank of Maharashtra and has served the bank from August 1976 to July 2012. He provides his professional expertise to the Company.

- **Vivek Shah, Independent Director**

Vivek Shah, aged approximately 27 is the Independent Director of our Company with effect from June 22, 2015. He holds a degree of Bachelors of Commerce (Finance) from Bangalore University. He is a partner in JaverDhan Holdings; a partnership firm since 2008 and a part time financial analyst at Source Edge Software Technologies Private Limited since 2010.

As such no remuneration/ sitting fees was paid to any Independent Director for the financial year 2014 – 2015, as they were appointed on our Board in the financial year 2015– 2016.

CONFIRMATIONS

As on the date of this Prospectus:

1. Apart from relations as mentioned below under the section titled “*Family Relationship between Directors*” no other directors are termed as relatives within the meaning of Section 2 (77) of the Companies Act, 2013; none of the Directors of the Company are related to each other.

FAMILY RELATIONSHIP BETWEEN DIRECTORS

| Name of the Director | Name of the other Director | Family Relation |
|----------------------|----------------------------|-----------------|
| Kailash Dubal | Jignesh Dubal | Brothers |
| Kailash Dubal | Bhavika Dubal | Husband – Wife |

2. There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Management Personnel were selected as a Director or member of the senior management.
3. The Directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
4. None of the above mentioned Directors are on the RBI List of willful defaulters.
5. Further, none of our Directors are or were directors of any company whose shares were (a) suspended from trading by stock exchange(s) or (b) delisted from the stock exchanges during the term of their directorship in such companies.
6. None of the Promoters, persons forming part of our Promoter Group, 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.

REMUNERATION/COMPENSATION/COMMISSION PAID TO DIRECTORS

During the last financial year ended on March 31, 2015, the directors have been paid gross remuneration as follows

(Amt in lakhs)

| Name of Director | Amount in Rupees | Remuneration/Compensation/Commission |
|------------------|------------------|--------------------------------------|
| Kailash Dubal | 61.73 | Remuneration |
| Jignesh Dubal | 21.07 | Remuneration |
| Srikanth N* | 8.63 | Remuneration |

*Srikanth N has resigned as Director of the Company with effect from August 20, 2014

Further, none of the existing Directors except above have received any remuneration during the Financial Year 2014-15 as they were appointed after the closure of financial year 2014-2015.

Terms and conditions of employment of our Managing Directors

1. Kailash Dubal

Kailash Dubal is appointed as a Chairman and Managing Director by Shareholders in their Extra Ordinary General Meeting held on June 22, 2015. The agreement dated June 26, 2015 was entered between the Company and Kailash Dubal.

| | |
|--------------|--|
| Remuneration | Rs. 58,50,000/- per year |
| Term of | 5 Years (Remuneration Payable as per Agreement is for 3 years wef July 01, |

| | |
|----------------|--|
| Appointment | 2015) |
| Reimbursements | <p>I. Medical and hospitalization expenses for himself and his family (ceiling limit – one month's salary)</p> <p>II. Expenses incurred by him for purchase of newspapers, magazines, books and periodicals in accordance with Company's policy</p> <p>III. Expenses incurred by him on account of business of the Company in accordance with Company's policy</p> |
| Allowances | Leave and travel allowance for him and his family once in a year |
| Bonus | At the discretion of the Company with approval of shareholders |
| Provision | Chauffer driven car for the use on Company's business, meal coupons and telephone at residence. |
| Increment | At Board's discretion. |

OTHER CONFIRMATIONS

As on the date on this Prospectus:

1. There are no contingent or deferred compensation payable to Director, Whole-time Director, Managing Director or Manager which have/has accrued for this year and payable in current or any future period
2. No compensation was paid to Director, Whole-time Director, Managing Director or Manager pursuant to bonus or profit sharing plan.

SHAREHOLDING OF OUR DIRECTORS IN THE COMPANY

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

The following table details the shareholding of our Directors as on the date of this Prospectus:

| Sr. No. | Name of the Director | No. of Equity Shares | % of Pre Issue Equity Share Capital | % of Post Issue Equity Share Capital |
|---------|----------------------|----------------------|-------------------------------------|--------------------------------------|
| 1. | Kailash Dubal | 45,04,780 | 64.35% | 47.32% |
| 2. | Jignesh Dubal | 30,030 | 0.43% | 0.32% |
| 3. | Bhavika Dubal | 9,52,000 | 13.60% | 10.00% |
| 4. | Sunil Surana | 7,61,600 | 10.88% | 8.00% |

INTERESTS OF DIRECTORS

Interest in Promotion of the Company

Our Directors may be deemed to be interested in the promotion of the Company to the extent of the Equity Shares held by them and also to the extent of any dividend payable to them and other distributions in respect of the aforesaid Equity Shares. For further details, refer to chapters titled

“Our Promoter and Promoter Group” and Annexure XX *“Related Party Transaction”* under the chapter *“Financial Statement as Restated”* beginning on page 162 and 190 of this Prospectus.

Interest in property including land acquired by the Company within two years of the date of the offer document or proposed to be acquired by it.

Our Directors do not have any other interest in any property including land; acquired by the Company in a period of two years preceding the date of Prospectus or proposed to be acquired by us as on date of filing the Prospectus with RoC.

Other Indirect Interest

Except as stated in *“Financial Statements as Restated”* on page 171 of this Prospectus, none of our sundry debtors or beneficiaries of loans and advances are related to our Company’s Directors or our Promoters. Further, except as disclosed under the section *“Shareholding of our Directors in the Company”* on page no 150, no other Directors hold any Equity Shares in our Company. Our Directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Offer. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares, if any.

Except as stated in the chapters *“Related Party Transactions”*, *“Financial Statements as Restated”* and *“Our Promoter and Promoter Group”* beginning on pages 169, 171 and 162 respectively of this Prospectus and described herein above, our Directors do not have any other interest in the business of our Company.

Our Directors are not interested in the appointment of or acting as Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

Interest to the extent of loan provided to the Company.

Kailash Dubal and Jignesh Dubal are interested to the extent of loan provided by them to the Company and Interest, if any receivable by them for the said loan. For further details refer section titled *“Related Party Transaction”* under the chapter *“Financial Statements as Restated”* beginning on page no 171 of this Prospectus.

SHAREHOLDING OF DIRECTORS IN SUBSIDIARIES AND ASSOCIATE COMPANIES

Our Company does not have a subsidiary or associate Company.

CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Following are the changes in directors of our Company in last three years prior to the date of this Prospectus.

| Name | Date of appointment | Nature of event | Reason |
|------------------|---------------------|-----------------------|---------------------------------------|
| Srikanth Narayan | August 20, 2014 | Resignation | Resignation due to personal reasons |
| Bhavika Dubal | April 27, 2015 | Appointment | Appointment as Additional Director |
| M. L. Soneji | June 16, 2015 | Appointment | Appointment as Independent Director |
| Bhavika Dubal | June 17, 2015 | Regularization | Regularization as Director |
| Kailash Dubal | June 22, 2015 | Change in Designation | Appointment as Managing Director |
| Sunil Surana | June 22, 2015 | Appointment | Appointment as Non Executive Director |
| Pradeepa Dansale | June 22, 2015 | Appointment | Appointment as Independent Director |
| Rashotham Devale | June 22, 2015 | Appointment | Appointment as Independent Director |
| Vivek Shah | June 22, 2015 | Appointment | Appointment as Independent Director |

BORROWING POWERS OF THE BOARD

Pursuant to a special resolution passed at an Extra- Ordinary General Meeting of our Company held on June 22, 2015, pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under and the Board of Directors (including committees) of the Company be and is hereby authorized to borrow monies from time to time in excess of aggregate of paid up capital and free reserves (apart from temporary loans obtained/ to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed Rs. 10,000 lakhs.

CORPORATE GOVERNANCE

The provisions of the SME Listing Agreement, to be entered into by our Company with the BSE, will be applicable to our Company immediately upon the listing of our Equity Shares with BSE SME Platform. We have complied with the corporate governance code in accordance with Clause 52 (as applicable) of the SME Listing Agreement, particularly in relation to appointment of Independent Directors to our Board and constitution of the audit committee and stakeholder's relationship committee. Our Company undertakes to take all necessary steps to continue to comply with all the requirements of Clause 52 of the SME Listing Agreement.

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. We have complied with the requirements of the applicable regulations, including the SME Listing Agreement to be executed with the BSE and the SEBI Regulations, in respect of corporate governance including constitution of the Board and Committees thereof. The corporate governance framework is based on an effective independent Board, the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

We have a Board constituted in compliance with the Companies Act and the Listing Agreement in accordance with best practices in corporate governance. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas.

Currently our Board has eight directors out of which four are Independent Directors. The constitution of our Board is in compliance with the requirements of Clause 52 of the SME Listing Agreement.

The following committees have been formed in compliance with the corporate governance norms:

- A. Audit Committee
- B. Stakeholders Relationship Committee
- C. Nomination and Remuneration Committee

A) Audit Committee

Our Company has constituted an audit committee ("**Audit Committee**"), as per section 177 of the Companies Act 2013 and Clause 52 of the SME Listing Agreement to be entered with SME, vide resolution passed at the meeting of the Board of Directors held on June 22, 2015.

The terms of reference of Audit Committee adheres to the requirements of Clause 52 of the Listing Agreement, proposed to be entered into with the Stock Exchange in due course. The committee presently comprises the following three (3) directors:

| Name of the Director | Status | Nature of Directorship |
|----------------------|----------|------------------------|
| Rashotham Devale | Chairman | Independent Director |
| Pradeepa Dansale | Member | Independent Director |
| Sunil Surana | Member | Non Executive Director |

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

The Audit Committee shall have following powers:

- a. To investigate any activity within its terms of reference,
- b. To seek information from any employee
- c. To obtain outside legal or other professional advice, and
- d. To secure attendance of outsiders with relevant expertise if it considers necessary.

The Audit Committee shall mandatorily review the following information:

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

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The

Chairman of the Audit committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

The role of the Audit Committee not limited to but includes:

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:
 - i. 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;
 - ii. Changes, if any, in accounting policies and practices and reasons for the same;
 - iii. Major accounting entries involving estimates based on the exercise of judgment by management;
 - iv. Significant adjustments made in the financial statements arising out of audit findings;
 - v. Compliance with listing and other legal requirements relating to financial statements;
 - vi. Disclosure of any related party transactions;
 - vii. Qualifications in the audit report.
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval.
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/Draft Prospectus/ Prospectus /notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Review and monitor the auditor's independence, performance and effectiveness of audit process.
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors any significant findings and follow up there on.

15. 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.
16. 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.
17. 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.
18. To oversee and review the functioning of the vigil mechanism which shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases.
19. Call for comments of the auditors about internal control systems, scope of audit including the observations of the auditor and review of the financial statements before submission to the Board;
20. 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.
21. To investigate any other matters referred to by the Board of Directors;
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Explanation (i): The term "related party transactions" shall have the same meaning as contained in the Accounting Standard 18, Related Party Transactions, issued by The Institute of Chartered Accountants of India.

Meeting of Audit Committee and relevant Quorum

The audit committee shall meet at least 4 times in a year and not more than 4 months shall elapse between 2 meetings. The quorum shall be either 2 members or one third of the members of the Audit Committee whichever is greater, but there shall be a minimum of 2 Independent Directors, who are members, present.

B) Stakeholder's Relationship Committee

Our Company has constituted a shareholder / investors grievance committee ("*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 June 22, 2015.

The Stakeholder's Relationship Committee comprises the following Directors:

| Name of the Director | Status | Nature of Directorship |
|----------------------|----------|------------------------------|
| Rashotham Devale | Chairman | Independent Director |
| Pradeepa Dansale | Member | Independent Director |
| Kailash Dubal | Member | Chairman & Managing Director |

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

The Stakeholders Relationship Committee shall oversee all matters pertaining to investors of our Company. The terms of reference of the Stakeholders Relationship Committee include the following:

1. Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;
2. Redressal of shareholder's/investor's complaints;
3. Reviewing on a periodic basis the approval/refusal of transfer or transmission of shares, debentures or any other securities;
4. Issue of duplicate certificates and new certificates on split/consolidation/renewal;
5. Allotment and listing of shares;
6. Reference to statutory and regulatory authorities regarding investor grievances; and
7. To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
8. Any other power specifically assigned by the Board of Directors of the Company

Quorum for Stakeholders Relationship Committee

The quorum necessary for a meeting of the Stakeholders Relationship Committee shall be 2 members or one third of the members, whichever is greater.

C) 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 June 22, 2015. The said committee is comprised as under:

The Nomination and Remuneration Committee comprises the following Directors:

| Name of Director | Designation in Committee | Nature of Directorship |
|------------------|--------------------------|------------------------------|
| Vivek Shah | Chairman | Independent Director |
| Mahesh Soneji | Member | Independent Director |
| Kailash Dubal | Member | Chairman & Managing Director |
| Pradeepa Dansale | 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. Devising a policy on Board diversity;
- d. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal and shall carry out evaluation of every director's performance;
- e. Determining, reviewing and recommending to the Board, the remuneration of the Company's Managing/ Joint Managing / Deputy Managing / Whole time / Executive Director(s), including all elements of remuneration package;
- f. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks

Quorum for Nomination and Remuneration Committee

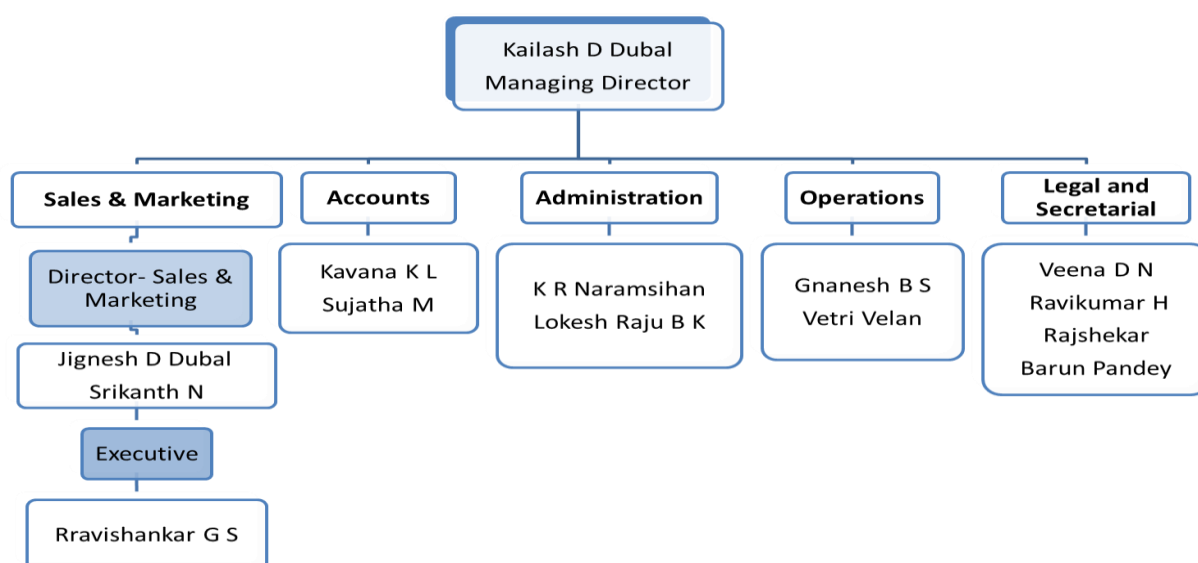
The quorum necessary for a meeting of the Nomination and Remuneration Committee shall be 2 members or one third of the members, whichever is greater.

Policy on Disclosures and Internal Procedure for Prevention of Insider Trading

We will comply with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended, post listing of our Company's shares on the Stock Exchange.

Barun Pandey, Company Secretary & Compliance Officer, is responsible for setting forth policies, procedures, monitoring and adhering to the rules for the prevention of dissemination of price sensitive information and the implementation of the code of conduct under the overall supervision of the Board.

ORGANIZATIONAL STRUCTURE



KEY MANAGERIAL PERSONNEL

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel of our Company:

The details of our Key Managerial Personnel are set out below:

- **Kailash Dubal, Managing Director**

Kailash Dubal, aged 39 is the Managing Director of our Company with effect from June 22, 2015. He has been Director of our Company since incorporation. He has more than a decade of experience in Real Estate industry. He looks after overall business including marketing and public relations of our Company.

- **Jignesh Dubal, Chief Financial Officer**

Jignesh Dubal, aged approximately 35 is the Director and Chief Financial Officer of our Company with effect from September 26, 2008 and has been designated as the Chief Financial Officer of the Company from June 22, 2015. He has completed Bachelors in Business Management from



Bangalore University in the year 2000 and has more than seven years of experience in the Real Estate industry. He heads finance and sales department our Company.

- **Barun Pandey, Company Secretary & Compliance Officer**

Barun Pandey aged approximately 24, is the Company Secretary and Compliance Officer of our Company. He is a qualified company secretary and is an associate member of Institute of Company Secretary of India. He is entrusted with the responsibility of handling corporate secretarial functions of our Company. Since he has joined our Company on June 23, 2015, no remuneration has been paid to him for the financial year 2014 – 2015.

- **Srikanth N, Sales Head**

Srikanth N aged approximately 38, is the Sales Head of our Company. He has completed bachelor of business management from Bangalore University. He looks after the marketing functions of our Company.

- **K R Narasimhan, Manager Administration**

K R Narasimhan aged about 72 years looks after General Administration and Customer Relationship at our Company.

- **Kavana K L, Senior Accountant**

Kavana K L is a graduate from Mysore University. She has more than 6 years of experience in the field of Accounts and Taxation. Prior to joining the Company, she was engaged with Dhariwal and Sreenivas, Chartered Accountants. She looks after accounting aspect of our Company.

RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

Except Kailash Dubal and Jignesh Dubal who are related as brothers. No other key managerial personnel are —related to the each other within the meaning of Section 2 (77) of the Companies Act, 2013. All of Key Managerial Personnel are permanent employees of our Company.

RELATIONSHIPS OF DIRECTORS/ AND PROMOTERS WITH KEY MANAGERIAL PERSONNEL

| Name of the KMP | Name of the other Director | Family Relation |
|-----------------|----------------------------|-----------------|
| Kailash Dubal | Bhavika Dubal | Husband – Wife |
| Jignesh Dubal | Kailash Dubal | Brothers |

ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS

None of our Directors have been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others.

SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

Except as disclosed below, none of the Key Managerial Personnel hold any Equity Shares of our Company as on the date of this Prospectus.

| Sr. No. | Name of Shareholder | No. of Shares held |
|---------|---------------------|--------------------|
| 1. | Kailash Dubal | 45,04,780 |
| 2. | Jignesh Dubal | 30,030 |
| 3. | Srikanth N | 20,020 |

REMUNERATION/COMPENSATION PAID TO KEY MANAGERIAL PERSONNEL

During the last financial year ended on March 31, 2015, the Key Managerial Personnel have been paid gross remuneration as follows

(Amt in lakhs)

| Name of KMP | Amount in Rupees | Remuneration/Compensation/Commission | Date of Appointment |
|----------------|------------------|--------------------------------------|---------------------|
| Kavana K L | 5.23 | Remuneration | March 1, 2013 |
| Srikanth N | 8.65 | Remuneration | August 21, 2014 |
| K R Narasimhan | 1.08 | Remuneration | April 1, 2015 |

*Kailash Dubal and Jignesh Dubal have been appointed as Key Managerial Personnel in current financial year i.e. 2015-16. Hence they have received remuneration as Directors in the previous financial year. For details regarding their remuneration, refer section titled “Remuneration/Compensation/Commission Paid To Directors” on page no 149 in this chapter.

*Barun Pandey was appointed as Key Managerial Personnel in the current financial year and hence no remuneration was paid to him.

*Srikanth N served as a Director till August 20, 2015. He resigned as Director of the Company but serves as Key Managerial Personnel – Sales Head of our Company. He received remuneration as Director as well as Key Managerial Personnel for the financial year 2014-15.

*K R Narasimhan served as Sales Head till before he resigned on July 31, 2014. He received salary for the last financial year. He was reappointed on April 1, 2015

Further, none of the existing Directors except above have received any remuneration during the Financial Year 2014-15 as they were appointed after the closure of financial year 2014-2015.

OTHER CONFIRMATIONS

As on the date on this Prospectus:

1. There are no contingent or deferred compensation payable to Key Managerial Personnel which have/has accrued for this year and payable in current or any future period
2. No compensation was paid to Key Managerial Personnel pursuant to bonus or profit sharing plan.
3. All Key Managerial Personnel are permanent employees of the Company.

BONUS OR PROFIT SHARING PLAN OF THE DIRECTORS/ KEY MANAGERIAL PERSONNEL

Our Company has not entered into any Bonus or Profit Sharing Plan with any of the Directors, Key Managerial Personnel.

CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

LOANS TO KEY MANAGERIAL PERSONNEL

Except as stated below, the Company has not given any loans and advances to the Key Managerial Personnel as on the date of this Prospectus.

| Name of Key Managerial Personnel | Amount of Loan given (in Rs. lakhs) |
|----------------------------------|-------------------------------------|
| K R Narasimhan | 12.30 |

INTEREST OF KEY MANAGERIAL PERSONNEL

Interest in Promotion of the Company

Our Key Managerial Personnel; Kailash Dubal and Jignesh Dubal may be deemed to be interested in the promotion of the Company to the extent of the Equity Shares held by them and also to the extent of any dividend payable to them and other distributions in respect of the aforesaid Equity Shares. For further details, refer to chapters titled *“Our Promoter and Promoter Group”* and section *“Related Party Transaction”* under the chapter *“Financial Statement as Restated”* beginning on page 169 and 171 of this Prospectus.

Interest in property including land acquired by the Company within two years of the date of the offer document or proposed to be acquired by it.

Our Key Managerial Personnel; Kailash Dubal and Jignesh Dubal do not have any other interest in any property including land; acquired by the Company in a period of two years preceding the date of Prospectus or proposed to be acquired by us as on date of filing the Prospectus with RoC.

Other Indirect Interest

Except as stated in *“Financial Statements as Restated”* on page 171 of this Prospectus, none of our sundry debtors or beneficiaries of loans and advances are related to our Company’s Directors or our Promoter. Further, except as disclosed under section titled *“Shareholding of the Key Managerial Personnel”* on page no 158 in this chapter, none of our Key Managerial Personnel hold any Equity Shares in our Company. Our Key Managerial Personnel may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Offer. All of Key Managerial Personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares, if any.

Except as stated in the chapters *“Related Party Transactions”*, *“Financial Statements as Restated”* and *“Our Promoter and Promoter Group”* beginning on pages 169, 171 and 162 respectively of this Prospectus and described herein above, our Key Managerial Personnel do not have any other interest in the business of our Company.

Our Key Managerial Personnel are not interested in the appointment of or acting as Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

Interest to the extent of loan provided to the Company.

Kailash Dubal and Jignesh Dubal are interested to the extent of loan provided by them to the Company and Interest, if any receivable by them for the said loan. For further details refer Annexure XX *“Related Party Transaction”* under the chapter *“Financial Statements as Restated”* beginning on page no 190 of this Prospectus.

Except as disclosed in this Prospectus, none of our key managerial personnel have been paid any consideration of any nature from our Company, other than their remuneration.

CHANGES IN KEY MANAGERIAL PERSONNEL IN THE LAST THREE YEARS

| Name | Date of appointment | Nature of event | Reason |
|----------------|---------------------|-----------------|---|
| Kavana K L | March 1, 2013 | Appointment | Appointment as a Senior Accountant |
| K R Narasimhan | July 31, 2014 | Resignation | Resigned as Manager Administration |
| Srikanth N | August 21, 2014 | Appointment | Resigned as Director and was Appointment as Sales Head |
| K R Narasimhan | April 1, 2015 | Appointment | Appointment as Manager Administration |
| Kailash Dubal | June 22, 2015 | Appointment | Appointment as Managing Director |
| Jignesh Dubal | June 22, 2015 | Appointment | Designated as Chief Financial Officer |
| Barun Pandey | June 23, 2015 | Appointment | Appointment as Company Secretary and Compliance Officer |

ESOP/ESPS SCHEME TO EMPLOYEES

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

PAYMENT OR BENEFIT TO OUR OFFICERS (NON SALARY RELATED)

Except as disclosed in the heading titled “*Related Party Transactions*” in the section titled “*Financial Statements as Restated*” beginning on page 190 of this Prospectus, no amount or benefit has been paid or given within the three preceding years or is intended to be paid or given to any of our officers except the normal remuneration for services rendered as officers or employees.

OUR PROMOTER AND PROMOTER GROUP

OUR PROMOTERS

Our Company is promoted by individuals; Kailash Dubal and Jignesh Dubal

Brief profile of our individual Promoters is as under:

| | |
|---|---|
|  | <p>Kailash Dubal, Promoter, Chairman & Managing Director</p> <p>Kailash Dubal, aged 39 years is the Managing Director of our Company with effect from June 22, 2015. He has been Director of our Company since incorporation. He has more than decade of experience in the industry which we operate. He looks after overall operations of our Company.</p> <p>Passport No: L3399150 Driving License: N.A. Voters ID: NA*</p> <p>Address: M-1104, Brigade Gateway, Dr. Rajkumar Road, Malleshwaram, Bangalore, 560055, Karnataka, India</p> <p>For further details relating to Kailash Dubal, including terms of appointment as our Managing Director, other directorships and ventures promoted by him, please refer to the chapters titled “<i>Our Management</i>” and “<i>Our Group Entities</i>” beginning on pages 145 and 166 of this Prospectus.</p> |
|  | <p>Jignesh Dubal, Promoter & Chief Financial Officer</p> <p>Jignesh Dubal, aged approximately 35 years is the Director of our Company with effect from September 26, 2008. He is also designated as Chief Financial Officer of our Company with effect from June 22, 2015. He has more than 7 years of experience in the industry which we operate. He has completed Bachelors in Business Management from Bangalore University. He heads the Marketing & financial department of our Company.</p> <p>Passport No:- E4821337 Driving License: KA02 20020018646 Voters ID: NA*</p> <p>Address: Meadows 4, Good Earth Orchard, Doddaballe Road, Kengeri, Bangalore, 560060, Karnataka, India</p> <p>For further details relating to Jignesh Dubal, including terms of appointment as our Chief Financial Officer, director, other directorships and ventures promoted by him, please refer to the chapters titled “<i>Our Management</i>” and “<i>Our Group Entities</i>” beginning on pages 145 and 166 of this Prospectus.</p> |

*Voters Identity Card has been misplaced by Kailash dubal and Jignesh Dubal

DECLARATION

Our Company confirms that the permanent account number, bank account number and passport number of our Promoters shall be submitted to the Stock Exchange at the time of filing of this Prospectus with it.

Our Promoters and the members of our Promoter Group have not been debarred from accessing the capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. None of our Promoters 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.

Further, neither our Promoters, the relatives of our Promoters (as defined under the Companies Act) nor our Group Companies have been declared as a wilful defaulter by the RBI or any other government authority and there are no violations of securities laws committed by our Promoters in the past and no proceedings for violation of securities laws are pending against him.

INTEREST OF PROMOTERS

Interest in promotion of our Company

Our Promoters may be deemed to be interested in the promotion of the Company to the extent of the Equity Shares held by them and also to the extent of any dividend payable to them and other distributions in respect of the aforesaid Equity Shares. For further details, refer to section titled “*Related Party Transactions*” under the chapter “*Financial Statement as Restated*” and chapter titled “*Our Promoter and Promoter Group*” beginning on page 171 and 162 of this Prospectus.

Interest in the property of our Company

Our Promoters do not have any other interest in any property acquired by our Company in a period of two years before filing of this Prospectus or proposed to be acquired by us as on date of filing the Prospectus with RoC.

Interest as member of our Company

As on date of this Prospectus, our Promoters together hold 45,34,810 Equity Shares in our Company i.e. 64.78% of the pre Issue paid up Equity Share capital of our Company. Therefore, our Promoters are interested to the extent of their respective shareholding and the dividend declared, if any, by our Company.

Interest as a creditor of our Company

As on the March 31, 2015, our Company has taken unsecured loans from the Promoters of our Company. For further details, refer to chapter titled “*Financial Statement as Restated*” and “*Related Party Transactions*” beginning on pages 171 and 169 of this Prospectus.

Interest as Director of our Company

Kailash Dubal is the Managing Director and Jignesh Dubal is Director of the Company and may be deemed to be interested to the extent of fees, if payable to them for attending meetings of Board as well as to the extent of other remuneration, reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and AoA of our Company. For further details please refer to chapter titled “*Our Management*” on page no 145

Interest as Key Managerial Personnel of our Company.

1. Kailash Dubal is Managing Director of the Company and hence a Key Managerial Personnel of the Company and may be deemed to be interested to the extent of remuneration, reimbursement of expenses payable to him for services rendered to us in accordance with the provisions of the Companies Act and in terms of agreement entered into with our Company, if any and AoA of our Company.



2. Jignesh Dubal is also designated as Chief Financial Officer of the Company and hence a Key Managerial Personnel of the Company and may be deemed to be interested to the extent of remuneration payable to him in lieu of his service as Director and Chief Financial Officer in accordance with the provisions of the Companies Act. He is also interested to the extent of reimbursement of expenses payable to him in accordance with the terms of agreement entered into with our Company, if any and AoA of our Company.

Interest in transactions involving acquisition of land

Except as stated/referred to in the heading titled “Land and Property” beginning on page 130 of the Prospectus, our Promoter’s have not entered into any contract, agreement or arrangements in relation to acquisition of property, since incorporation in which the Promoter and 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.

Other Indirect Interest

Except as stated in “Financial Statements” beginning on page 171 of this Prospectus, none of our sundry debtors or beneficiaries of loans and advances are related to our Company’s Directors or our Promoters

Payment of benefits to our Promoters and Promoter Group during the last two years

Other than in the normal course of business including any advances or commission paid and Except as stated in “Financial Statements” beginning on page 171 of this Prospectus, there has been no payment of any amount of benefits to our Promoters or the members of our Promoter Group during the last two years from the date of the Prospectus nor is there any intention to pay or give any benefit to our Promoters or Promoter group as on the date of the Prospectus except as disclosed below

OUR PROMOTER GROUP

Our Promoter Group in terms of Regulation 2(1)(zb) of the SEBI (ICDR) Regulations is as under:

A. Individuals related to our Promoter:

| Relationship with Promoters | Kailash Dubal | Jignesh Dubal |
|-----------------------------|-------------------------|-----------------|
| Father | Dhirendra Dubal | Dhirendra Dubal |
| Mother | Priti Dubal | Priti Dubal |
| Brother | Jignesh Dubal | Kailash Dubal |
| Sister | Purvi Padia | Purvi Padia |
| Spouse | Bhavika Dubal | Vaishali Dubal |
| Son | Parth Dubal | Vihaan Dubal |
| Daughter | Dhruvi Dubal | Piya Dubal |
| Spouse’s Father | Pravin Chandra Bosamiya | Aarvind Jogi |
| Spouse’s Mother | Bhanumathi Bosamiya | Indira Jogi |
| Spouse’s Brother | Vikram Bosamiya | Malay Jogi |
| Spouse’s Sister | Hetal Patel | - |

B. In the case of our Individual Promoter: Kailash Dubal

| Nature of Relationship | Entity |
|--|---|
| Any body corporate in which 10% or more of the equity share capital is held by the Promoter or an immediate relative of the promoter or a firm | Concept City Hotels & Hospitality Private Limited |

| Nature of Relationship | Entity |
|--|---|
| or Hindu Undivided Family in which the Promoter or any one or more of his immediate relative is a member | |
| Any body corporate in which a body corporate as mentioned above holds 10% or more, of the equity share capital | -- |
| Any HUF or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than 10% | A P Realtors (Partnership Firm), Victory Enterprises (Proprietorship of Spouse's Father) |

C. In the case of our Individual Promoter: Jignesh Dubal

| Nature of Relationship | Entity |
|---|--|
| Any body corporate in which 10% or more of the equity share capital is held by the Promoter or an immediate relative of the promoter or a firm or Hindu Undivided Family in which the Promoter or any one or more of his immediate relative is a member | Concept City Hotels & Hospitality Private Limited |
| Any body corporate in which a body corporate as mentioned above holds 10% or more, of the equity share capital | -- |
| Any HUF or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than 10% | A P Realtors (Partnership Firm), Glowshine (Partnership Firm of Spouse's Brother) |

RELATIONSHIP OF PROMOTERS WITH OUR DIRECTORS

| Promoter | Director | Relationship |
|---------------|---------------|----------------|
| Kailash Dubal | Bhavika Dubal | Husband – Wife |
| Jignesh Dubal | Kailash Dubal | Brother |

Except as disclosed above, no other Promoter(s) are related to any of our Company's Directors within the meaning of Section 2 (77) of the Companies Act, 2013.

CHANGES IN CONTROL

Our Promoter Kailash Dubal is the original promoter of our Company. Jignesh Dubal joined the Company by acquiring shares on October 14, 2008. There has been no change in the management or control of our Company since then.

For details on litigations and disputes pending against the Promoters and defaults made by them, please refer to the chapter titled *"Outstanding Litigation and Material Developments"* beginning on page 211 of this Prospectus. Our Promoters have not been declared a wilful defaulter by RBI or any other governmental authority and there are no violations of securities laws committed by our Promoters in the past or are pending against them.

OUR GROUP ENTITIES

No equity shares of our Group Companies are listed on any stock exchange and none of them have made any public or rights issue of securities in the preceding three years.

OUR GROUP ENTITIES

The details of our Group Entities are provided below:

1. A P Realtors

A P Realtors is a partnership firm formed under the Indian Partnership Act, 1932 between Kailash Dubal, Jignesh Dubal and Srikanth N as partners. It is governed by a Partnership Deed dated June 12, 2013. It is currently engaged in Real Estate and Land Development

As on the date of this Prospectus, M/s A P Realtors has three partners, Kailash Dubal, Jignesh Dubal and Srikanth N.

NATURE AND EXTENT OF INTEREST OF PROMOTERS

Profit and Loss Sharing Ratio

The profit and loss sharing ratio of the partners in the firm is as follows:

| Name of the Partner | Profit and Loss sharing ratio (%) |
|---------------------|-----------------------------------|
| Kailash Dubal | 95 |
| Jignesh Dubal | 3 |
| Srikanth N | 2 |
| Total | 100 |

Financial Performance

(Amt. in lakhs)

| Particulars | *For the Period ended on March 2014 |
|------------------------|-------------------------------------|
| Partner's capital | 10.00 |
| Sales and other income | 720.00 |
| Profit/loss after tax | 18.50 |

*March 2014 was the first year of Closure of Accounts

2. Concept City Hotels and Hospitality Private Limited

Corporate Information

Concept City Hotels and Hospitality Private Limited is private limited Company incorporated on May 9, 2008 under the provisions of Companies Act, 1956. It is engaged in the business of building and maintaining hotels, restaurants and amusement parks. Our Promoters Kailash Dubal and Jignesh Dubal together holds 20% of equity share capital of the Company.

The Company has paid up capital of Rs. 1,00,000/-. The Company has not commenced its operations and hence Profit and Loss is not prepared. All expenses are capitalized under the head "Preliminary Expenses" and "Pre-operative Expenses to the extent not written off".

CONFIRMATION

Our Promoter and persons forming part of Promoter Group have confirmed that they have not been declared as wilful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them. Additionally, none of the Promoter and persons forming part of Promoter Group has been restrained from accessing the capital markets for any reasons by SEBI or any other authorities. Except as disclosed in this chapter, our Group Entity does not have negative net worth as of the date of the respective last audited financial statements.

LITIGATION

For details on litigations and disputes pending against the Promoter and Group entities and defaults made by them, please refer to the chapter titled, *“Outstanding Litigations and Material Developments”* on page 211 of this Prospectus.

DISSOCIATION BY THE PROMOTER IN THE LAST THREE YEAR

Our Promoter Kailash Dubal has disassociated himself from Nakodas; a partnership firm from September 26, 2014. Except as mentioned herein, Promoters have not disassociated themselves from any of the companies, firms or other entities during the last three years preceding the date of this Prospectus.

NEGATIVE NET WORTH

None of our Group Entities have negative net worth as on the date of the Prospectus. However Concept City Hotels and Hospitality Private Limited has not commenced its operations and hence Profit and Loss is not prepared. All expenses are capitalized under the head *“Preliminary Expenses”* and *“Pre-operative Expenses to the extent not written off”*

DEFUNCT / STRUCK-OFF COMPANY

None of our Promoters or Promoter Group or Group Company has become defunct or struck – off in the five years preceding the filing of this Prospectus.

INTEREST OF OUR PROPROMOTERS, GROUP COMPANIES

Our Promoters and Group Companies are interested to the extent of their shareholding of Equity Shares from time to time, and in case of our Individual Promoters, also to the extent of shares held by their relatives from time to time, for which they are entitled to receive the dividend declared, if any, by our Company. Our Individual Promoters may also benefit from holding directorship in our Company. Our Individual Promoters may also be deemed to be interested to the extent of remuneration and/or reimbursement of expenses payable to them under the Articles/ terms of appointment. As on the date of this Prospectus, our Promoters together hold 45,34,810 Equity Shares of our Company.

Except as stated hereinabove and as stated in *“Related Party Transactions”* under chapter titled *“Financial Statements”* and *“Our Management”* beginning on page 190 and 145 respectively of this Prospectus, we have not entered into any contract, agreements or arrangements during the preceding two years from the date of this Prospectus in which the Promoters are directly or indirectly interested and no payments have been made to them in respect of these contracts, agreements or arrangements which are proposed to be made to them.

COMMON PURSUITS

Our Promoters and Directors viz., Kailash Dubal and Jignesh Dubal are interested in Our Group Entities; A P Realtors as Partners and Concept City Hotels and Hospitality Private Limited as Directors and Members which are involved in activities similar to those conducted by our Company. As these entities do not have any non-compete agreements in place amongst themselves, there is a conflict



of interest between our Company and the said Group Entities. For associated risk factor, please refer to the section titled “*Risk Factors*” beginning on page 16 of the Prospectus.

SALES/PURCHASES BETWEEN OUR COMPANY AND PROMOTER COMPANY & GROUP ENTITIES

Other than as disclosed in the chapter titled “*Related Party Transactions*” on page 169 of this Prospectus, there are no sales/purchases between the Company and the Group Companies when such sales or purchases exceed in value in the aggregate 10 per cent of the total sales or purchases of the Company.

PAYMENT OR BENEFIT TO OUR GROUP ENTITIES

Except as stated in chapter titled “*Related Party Transactions*” beginning on page 169 of this Prospectus, there has been no payment of benefits to our Group Entities in financial years 2014-2015

RELATED PARTY TRANSACTION

For details on Related Party Transactions of our Company, please refer to Annexure XX of restated financial statement under the section titled, '*Financial Statements*' beginning on page 171 of this Prospectus



DIVIDEND POLICY

Under the Companies Act, 2013, an Indian company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders. Under the Companies Act, 2013 dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion. Our Company has not paid any dividend for the last three years.

Dividends are payable within 30 days of approval by the Equity Shareholders at the annual general meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the “record date” are entitled to be paid the dividend declared by our Company. Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by Our Company

SECTION V – FINANCIAL STATEMENTS

FINANCIAL STATEMENT AS RESTATED

**The Board of Directors,
Sri Krishna Constructions (India) Limited**

#1, 4th Main, Sheshadripuram,
Nehru Circle,
Bangalore – 560 020. Karnataka

Dear Sirs,

1. We have examined the attached Restated Summary Statement of Assets and Liabilities of **Sri Krishna Constructions (India) Limited**, (hereinafter referred to as “**the Company**”) as at March 31, 2015, 2014, 2013, 2012 and 2011, Restated Summary Statement of Profit and Loss and Restated Summary Statement of Cash Flow for the financial year ended on March 31, 2015, 2014, 2013, 2012 and 2011 (collectively referred to as the “**Restated Summary Statements**” or “**Restated Financial Statements**”) annexed to this report and initialed by us for identification purposes. These Restated Financial 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 (“the Act”) read with Companies (Prospectus and Allotment of Securities) Rules 2014;
 - (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;
3. We have examined such Restated Financial Statements taking into consideration:
 - (i) The terms of reference to our engagements with the Company letter dated 9th June, 2015 requesting us to carry out the assignment, in connection with the Prospectus/ Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in SME Platform of BSE Limited (“**IPO**” or “**SME IPO**”); and
 - (ii) The Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India (“**Guidance Note**”).
4. The Restated Financial Statements of the Company have been extracted by the management from the Audited Financial Statements of the Company for the as at and for the year ended on March 31, 2015, 2014, 2013, 2012 and 2011 which have been approved by the Board of Directors.
5. In accordance with the requirements of the Act, ICDR Regulations, Guidance Note and Engagement Letter, we report that:
 - (i) The “**Restated Statement of Asset and Liabilities**” as set out in **Annexure I** to this report, of the Company as at March 31, 2015, 2014, 2013, 2012 and 2011 are prepared by the Company and approved by the Board of Directors. These Statement of Asset 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 year ended on March 31, 2015, 2014, 2013, 2012 and 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 year ended on March 31, 2015, 2014, 2013, 2012 and 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.
6. Based on our examination and audited financial statements, we report 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 qualification in the Audit Reports issued by the Statutory Auditors for the financial year ended on March 31, 2015, 2014, 2013, 2012 and 2011 which would require adjustments in this Restated Financial Statements of the Company.
 - e) Other audit qualifications included in the annexure to the auditor’s report on the audited financial statements for the year ended March 31, 2015, 2014, 2013, 2012 and 2011 which do not require any corrective adjustment in the financial information, are as follows:
 - i. For the year ended March 31, 2012

Clause (ix) (b)

No undisputed amounts payable in respect of income tax, sales tax, wealth tax, custom duty, cess and other material statutory dues were outstanding as at 31st March, 2012 for a period of more than six months from the date they become payable, ***except a few TDS payments.***
 - ii. For the year ended March 31, 2013

Clause (ix) (a)

Undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income-tax, Sales-Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have been generally been regularly deposited with the appropriate authorities. According to the information and explanations given to me there were no outstanding statutory dues as on 31st March, 2013 for a period of more than six

months from they became payable ***except for few TDS, Professional tax, Employees State Insurance payments.***

iii. For the year ended March 31, 2015

Clause 7 (a)

According to the information and explanation given me and based on my verification of books of account, Generally the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, professional tax and any other statutory dues with the appropriate authorities and there are no arrears of statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable, ***except tax deducted at source.***

- f) 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 Policies and Notes to Restated Summary Statements as set out in **Annexure IV** to this report.
7. Audit for the financial year ended March 31, 2011 and 2012 was conducted by M/s.T Narasappa & Co, Chartered Accountants and for March 31, 2013, 2014 and 2015 was conducted by M/s.Suthar & 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. Further financial statements for the financial year ended March 31, 2015 have been reaudited by us as per the relevant guidelines.
8. 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 year ended on March 31, 2015, 2014, 2013, 2012 and 2011 proposed to be included in the Prospectus / Prospectus ("**Offer Document**").

Annexure of Restated Financial Statements of the Company:-

1. Summary Statement of Assets and Liabilities, as restated as ANNEXURE I;
2. Summary Statement of Profit and Loss, as restated as ANNEXURE II;
3. Summary Statement of Cash Flow, as restated as ANNEXURE III;
4. Significant Accounting Policies in ANNEXURE IV;
5. Details of Details of Share Capital as Restated as appearing in ANNEXURE V to this report;
6. Details of Reserves and Surplus as Restated as appearing in ANNEXURE VI to this report;
7. Details of Long Term Borrowings as Restated as appearing in ANNEXURE VII to this report;
8. Details of Other Long Term Liabilities as Restated as appearing in ANNEXURE VIII to this report;
9. Details of Long Term Provisions as Restated as appearing in ANNEXURE IX to this report;
10. Details of Short Term Borrowings as Restated as appearing in ANNEXURE X to this report;
11. Details of Trade Payables as Restated as appearing in ANNEXURE XI to this report;
12. Details of Other Current Liabilities as Restated as appearing in ANNEXURE XII to this report;



13. Details of Short Term Provisions as Restated as appearing in ANNEXURE XIII to this report;
 14. Details of Long Term Loans & Advances as Restated as appearing in ANNEXURE XIV to this report;
 15. Details of Inventories as Restated as appearing in ANNEXURE XV to this report;
 16. Details of Trade Receivables as Restated as appearing in ANNEXURE XVI to this report;
 17. Details of Short Term Loans & Advances as Restated as appearing in ANNEXURE XVII to this report;
 18. Details of Other Income as Restated as appearing in ANNEXURE XVIII to this report;
 19. Details of Contingent Liability as Restated as appearing in ANNEXURE XIX to this report;
 20. Details of Related Parties Transactions as Restated as appearing in ANNEXURE XX to this report;
 21. Details of Significant Accounting Ratios as Restated as appearing in ANNEXURE XXI to this report;
 22. Capitalization Statement as Restated as at March 31, 2014 as appearing in ANNEXURE XXII to this report;
 23. Statement of Tax Shelters as Restated as appearing in ANNEXURE XXIII to this report;
9. 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.
 10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
 11. In our opinion, the above financial information contained in Annexure I to XXIII of this report read with the respective Significant Accounting Policies 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.
 12. 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 R T Jain & Co.
Chartered Accountants
Firm Registration no.103961W

(CA Bankim Jain)
Partner
Membership No.139447

Place: Mumbai,
Date: July 2, 2015

STATEMENT OF ASSETS AND LIABILITIES AS RESTATED
ANNEXURE -I
Rs. in Lakhs

| Sr. No. | Particulars | As at March 31 | | | | |
|-----------|---|-----------------|-----------------|-----------------|-----------------|-----------------|
| | | 2015 | 2014 | 2013 | 2012 | 2011 |
| | EQUITY AND LIABILITIES | | | | | |
| 1) | <u>Shareholders Funds</u> | | | | | |
| | a. Share Capital | 200.00 | 200.00 | 200.00 | 200.00 | 200.00 |
| | b. Reserves & Surplus | 645.62 | 375.83 | 260.00 | 151.59 | 127.46 |
| 2) | Share Application Money Pending Allotment | - | 64.74 | 47.11 | 395.28 | 471.74 |
| 3) | <u>Non Current Liabilities</u> | | | | | |
| | a. Long Term Borrowings | 517.58 | 56.43 | 64.65 | - | - |
| | b. Other Long Term Liabilities | 21.45 | 69.52 | 117.59 | 165.66 | - |
| | c. Long Term Provisions | 148.82 | 146.56 | 142.89 | 136.47 | 135.05 |
| 4) | <u>Current Liabilities</u> | | | | | |
| | a. Short Term Borrowings | - | - | 26.15 | - | - |
| | b. Trade Payables | 1,099.30 | 521.30 | 272.30 | 9.28 | 38.20 |
| | c. Other Current Liabilities | 2,391.88 | 2,097.12 | 1,517.18 | 737.57 | 499.47 |
| | d. Short Term Provisions | 109.56 | 68.68 | 49.47 | 16.11 | 6.56 |
| | TOTAL (1+2+3+4) | 5,134.21 | 3,600.19 | 2,697.34 | 1,811.96 | 1,478.47 |
| | ASSETS | | | | | |
| 5) | <u>Non Current Assets</u> | | | | | |
| | a. Fixed Assets | | | | | |
| | i. Tangible Assets | 246.75 | 44.48 | 32.82 | 24.07 | 27.77 |
| | b. Deferred Tax Assets (Net) | 8.29 | 2.03 | 1.95 | 2.65 | 3.52 |
| | c. Long Term Loans & Advances | 0.06 | 0.06 | 0.06 | 125.90 | 125.06 |
| 6) | <u>Current Assets</u> | | | | | |
| | a. Inventories | 1,760.37 | 1,289.63 | 720.07 | 127.84 | 155.31 |
| | b. Trade Receivables | 249.12 | 208.52 | 180.12 | 196.86 | 28.53 |
| | c. Cash and Cash Equivalents | 168.51 | 185.01 | 38.77 | 35.78 | 34.11 |
| | d. Short Term Loans & Advances | 2,701.10 | 1,870.45 | 1,723.55 | 1,298.85 | 1,104.17 |
| | TOTAL (5+6) | 5,134.21 | 3,600.19 | 2,697.34 | 1,811.96 | 1,478.47 |

STATEMENT OF PROFIT AND LOSS AS RESTATED
ANNEXURE – II
Rs. in Lakhs

| Sr. No. | Particulars | As at March 31 | | | | |
|----------|---|-----------------|-----------------|-----------------|---------------|---------------|
| | | 2015 | 2014 | 2013 | 2012 | 2011 |
| A | INCOME | | | | | |
| | Revenue from Operations | 2,843.78 | 1,484.03 | 1,773.91 | 303.89 | 228.02 |
| | Other Income | 6.90 | 4.71 | 20.74 | 3.15 | 1.09 |
| | Total Income (A) | 2,850.68 | 1,488.73 | 1,794.65 | 307.04 | 229.11 |
| B | EXPENDITURE | | | | | |
| | Cost of Purchase and Development Expenses | 2,536.59 | 1,046.24 | 1,326.57 | 98.54 | 94.14 |
| | Changes in inventories of finished goods, traded goods and work-in-progress | (470.74) | (569.56) | (592.23) | 27.47 | 57.85 |
| | Employee benefit expenses | 154.21 | 126.58 | 191.58 | 32.05 | 33.52 |
| | Finance costs | 31.71 | 25.06 | 56.58 | 45.68 | 1.13 |
| | Depreciation and amortisation expense | 18.00 | 7.86 | 3.27 | 3.70 | 4.71 |
| | Other Expenses | 191.29 | 702.55 | 666.98 | 65.27 | 29.00 |
| | Total Expenses (B) | 2,461.05 | 1,338.73 | 1,652.76 | 272.70 | 220.36 |
| C | Profit before tax (A-B) | 389.63 | 150.00 | 141.89 | 34.33 | 8.75 |
| | Prior period items (Net) | - | - | - | - | - |
| | Profit before exceptional, extraordinary items and tax | 389.63 | 150.00 | 141.89 | 34.33 | 8.75 |
| | Exceptional items | 17.07 | - | - | - | - |
| D | Profit before tax | 372.56 | 150.00 | 141.89 | 34.33 | 8.75 |
| | Tax expense : | | | | | |
| | (i) Current tax | 109.03 | 34.25 | 32.78 | 9.33 | 6.18 |
| | (ii) Deferred tax | (6.26) | (0.08) | 0.70 | 0.87 | (1.63) |
| E | Total Tax Expense | 102.77 | 34.17 | 33.48 | 10.21 | 4.56 |
| F | Profit for the year (D-E) | 269.79 | 115.83 | 108.41 | 24.13 | 4.20 |
| | | | | | | |
| | | | | | | |

STATEMENT OF CASH FLOW AS RESTATED
ANNEXURE – III
Rs. in Lakhs

| Particulars | As at March 31 | | | | |
|---|-----------------|----------------|-----------------|-----------------|---------------|
| | 2015 | 2014 | 2013 | 2012 | 2011 |
| <u>Cash flow from operating activities:</u> | | | | | |
| Net Profit before tax as per Profit And Loss A/c | 389.63 | 150.00 | 141.89 | 34.33 | 8.75 |
| Adjusted for: | | | | | |
| Depreciation and Amortisation | 18.00 | 7.86 | 3.27 | 3.70 | 4.71 |
| Provision for gratuity | 1.13 | 4.88 | 6.27 | 1.63 | 3.98 |
| Provision for Property Tax | - | - | - | 0.53 | 2.07 |
| Loss on Sale of Fixed Asset | 17.07 | - | - | - | - |
| Interest and Finance Cost | 31.71 | 25.06 | 56.58 | 45.68 | 1.13 |
| Interest income | (6.90) | (1.18) | (0.29) | - | (1.09) |
| Operating Profit Before Working Capital Changes | 450.64 | 186.63 | 207.71 | 85.88 | 19.55 |
| Adjusted for (Increase)/ Decrease: | | | | | |
| Trade Receivables | (40.60) | (28.40) | 16.74 | (168.34) | (10.80) |
| Inventories | (470.74) | (569.56) | (592.23) | 27.47 | 57.85 |
| Loans and advances | (830.65) | (146.91) | (298.85) | (195.52) | (7.35) |
| Trade payables | 578.00 | 249.00 | 263.02 | (28.92) | (22.41) |
| Current Liabilities | 233.35 | 496.28 | 16.57 | 402.37 | (17.04) |
| Cash Generated From Operations Before Extra-Ordinary Items | (80.00) | 187.04 | (387.03) | 122.94 | 19.81 |
| Add:- Extra-Ordinary Items | - | - | - | - | - |
| Cash Generated From Operations | (80.00) | 187.04 | (387.03) | 122.94 | 19.81 |
| Direct Tax Paid | 67.03 | 15.52 | - | - | - |
| Net Cash Flow from/(used in) Operating Activities: (A) | (147.03) | 202.56 | (387.03) | 122.94 | 19.81 |
| <u>Cash Flow From Investing Activities:</u> | | | | | |
| Purchase of Fixed Assets | (234.51) | (19.52) | (11.94) | - | (0.20) |
| Sale of fixed assets | 0.35 | - | - | - | - |
| Interest Income | - | - | - | - | 1.09 |
| Net Cash Flow from/(used in) Investing Activities: (B) | (234.16) | (19.52) | (11.94) | - | 0.89 |
| <u>Cash Flow from Financing Activities:</u> | | | | | |
| Proceeds / (Repayment) of Share Application Money | (64.74) | 17.64 | 348.18 | (76.45) | (3.75) |
| Proceeds / (Repayment) of Borrowings (net) | 461.14 | (34.36) | 90.80 | - | - |
| Interest and Financial Charges | (31.71) | (20.07) | (37.01) | (44.82) | (0.26) |
| Net Cash Flow from/(used in) Financing Activities (C) | 364.69 | (36.80) | 401.96 | (121.27) | (4.01) |
| Net Increase/(Decrease) in Cash & | (16.50) | 146.24 | 2.99 | 1.67 | 16.69 |

| Particulars | As at March 31 | | | | |
|---|----------------|---------------|--------------|--------------|--------------|
| | 2015 | 2014 | 2013 | 2012 | 2011 |
| Cash Equivalents (A+B+C) | | | | | |
| Cash & Cash Equivalents As At Beginning of the Year | 185.01 | 38.77 | 35.78 | 34.11 | 17.42 |
| Cash & Cash Equivalents As At End of the Year | 168.51 | 185.01 | 38.77 | 35.78 | 34.11 |

ANNEXURE – IV

RESTATED SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS:

A. CORPORATE INFORMATION

The Company was incorporated as Sri Krishna Constructions (India) Private Limited in December 2005 in Bangalore.

The Company is into the business line of development and sale of residential layouts. The primary business is the development of residential layouts/ properties. The business operations comprise the identification/acquisition of land and development and marketing the land/ projects.

B. SIGNIFICANT ACCOUNTING POLICIES:

1. Basis of preparation of Financial Statements:

The restated summary statement of assets and liabilities of the Company as at March 31, 2015, 2014, 2013, 2012 and 2011 and the related restated summary statement of profits and loss and cash flows for the years ended March 31, 2015, 2014, 2013, 2012 and 2011 (herein collectively referred to as ('Restated Summary Statements')) have been compiled by the management from the audited financial statements of the Company for the years ended March 31, 2015, 2014, 2013, 2012 and 2011, approved by the Board of Directors of the Company. Restated Summary Statements have been prepared to comply in all material respects with the provisions of Part I of Chapter III of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities and Exchange

Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the SEBI Guidelines") issued by SEBI and Guidance note on Reports in Companies Prospectus (Revised). Restated Summary Statements have been prepared specifically for inclusion in the offer document to be filed by the Company with the SME Platform of BSE in connection with its proposed Initial public offering of equity shares. The Company's management has recast the financial statements in the form required by Schedule III of the Companies Act, 2013 for the purpose of Restated Summary Statements.

2. Use of Estimates:

The preparation of restated financial statements in conformity with the Generally Accepted Accounting Principles (GAAP) requires management to make estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period.

Actual results could differ from these estimates. The difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

3. Current and non-current classification:

All the Assets and Liabilities have been classified as current and non-current based on the normal operating cycle of the Company and other criteria laid down in Schedule III of the Companies Act, 2013. Based on the nature of products / services, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

4. Revenue Recognition :

Revenue from the sale of land is recognized when significant risks and rewards of ownership have been transferred to the customer, which coincides with entering into a legally binding agreement / deed.

Revenue from land development charges is recognized on percentage completion method.

Revenue from maintenance of sites is recognized on time basis.

Agricultural Lease Rental is recognized on time basis and other agricultural income is recognized on time basis.

5. Fixed Assets and Depreciation

Fixed assets are carried at cost of acquisition or construction, less accumulated depreciation and impairment loss, if any. All Cost including any cost attributable in bringing the assets to their working condition for their intended use is capitalized. Expenditure on additions, improvement and renewable is capitalized.

Depreciation on fixed assets is calculated on written down value basis using the rates arrived at based on the useful life of the assets prescribed under Schedule II of the Companies Act, 2013 for the year ended March 31, 2015. For the year ended on March 31, 2014, 2013, 2012 and 2011 depreciation has been charged on written down value basis using the rates prescribed under Schedule XIV of the Companies Act, 1956.

6. Impairment of Assets:

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

7. Valuation of Investments:

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments.

Current Investments are carried at the lower of cost or quoted / fair value computed scrip wise, Long Term Investments are stated at cost. Provision for diminution in the value of long term investments is made only if such decline is other than temporary.

8. Valuation of Inventories:

Cost of inventory includes all cost of purchases and other cost incurred in bringing the inventories to their present location and condition.

Inventories comprising of land and material used for development of land are recorded at purchase cost including levies, duties and incidental expenses attributable to bring the land to its current position.

9. Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Statement of profit and loss.

10. Employee Benefits:

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss 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 Statement of Profit and Loss 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 Statement of Profit and Loss.

11. Provision for Current Tax and Deferred Tax:

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961.

Deferred tax resulting from the timing differences between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the Balance Sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the assets will be realized in the future.

12. Contingent Liabilities / Provisions:

Contingent liabilities are not provided in the accounts and are disclosed separately in notes on accounts.

Provision is made in the accounts in respect of contingent liabilities which is likely to materialize into liabilities after the year end, till the finalization of accounts and which have material effect on the position stated in the Balance Sheet.

13. Earning Per Share:

Basic earning per share is computed by dividing the net profit for the year after prior period adjustments attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

14. Lease Rental

Operating Leases: Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss.

RECONCILIATION OF RESTATED PROFIT

Rs. in Lakhs

| Adjustments for | 2014-15 | 2013-14 | 2012-13 | 2011-12 | 2010-11 |
|--|----------------|---------------|---------------|--------------|-------------|
| Net profit/(Loss) after Tax as per Audited Profit & Loss Account | 227.81 | 129.33 | 124.34 | 28.78 | 8.27 |
| Adjustments for: | | | | | |
| Provision for gratuity (Note 1) | (16.76) | 4.88 | 6.27 | 1.63 | 3.98 |
| Interest Expense (Note 2) | (14.69) | 11.95 | 19.01 | 1.43 | 0.87 |
| Property Tax (Note 3) | - | - | (2.60) | 0.53 | 2.07 |
| Income Tax Expense (Note 4) | (5.97) | (3.75) | (5.22) | 0.33 | (1.62) |
| Deferred Tax Expense (Note 5) | (4.56) | 0.43 | (1.53) | 0.72 | (1.23) |
| Total Adjustments | (41.98) | 13.50 | 15.94 | 4.65 | 4.07 |
| Net Profit/ (Loss) After Tax as Restated | 269.79 | 115.83 | 108.41 | 24.13 | 4.20 |

Note 1. **Provision for Gratuity** - The Company has done Actuarial Valuation of Gratuity liability as on March 31st, 2015 for the first time for the preceding five years. The liability for the year ended on March 31, 2014, 2013, 2012 and 2011 has been shown as an expense in the respective year. Since the Company had booked the entire amount as an expense in the year ended March 31, 2015 the expenditure relating to earlier years has been reversed in March 2015.

Note 2 . **Interest Expense** – Interest on late payment of Income Tax and TDS has been provided as an expense in the profit and loss account for the year ended March 31, 2015. The interest which pertains to the year ended March 31, 2014, 2013, 2012 and 2011 has been reversed and shown as an expense in the respective year.

Note 3. **Property Tax** – The Company had paid property tax for five years in the year 2012-13. The same has been adjusted and shown as an expense in the respective year.

Note 4 – **Income Tax Expense** – The provision for income tax has been restated due to impact of gratuity provision and interest expense on the profit before tax for the year.

Note 5- **Deferred Tax Expense** – The provision for deferred tax has been restated due to temporary timing difference of gratuity expense being disallowed under Income Tax Act, 1961.

RESTATED STATEMENT OF SHARE CAPITAL
ANNEXURE – V
Rs. in Lakhs

| Particulars | As at March 31 | | | | |
|---|----------------|---------------|---------------|---------------|---------------|
| | 2015 | 2014 | 2013 | 2012 | 2011 |
| <u>Equity Share Capital</u> | | | | | |
| Authorised Share capital | | | | | |
| 10,00,000 Equity Shares of Rs. 10/- each | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| 10,00,000 Preference Shares of Rs. 10/ each | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| TOTAL | 200.00 | 200.00 | 200.00 | 200.00 | 200.00 |
| | | | | | |
| Issued, Subscribed and Fully Paid Up Share Capital | | | | | |
| 10,00,000 Equity Shares of Rs. 10/- each | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| 10,00,000 Preference Shares of Rs.10/- each | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| | | | | | |
| TOTAL | 200.00 | 200.00 | 200.00 | 200.00 | 200.00 |

Reconciliation of number of shares outstanding at the end of the year

| Particulars | As at March 31 | | | | |
|--|----------------|--------------|--------------|--------------|--------------|
| | 2015 | 2014 | 2013 | 2012 | 2011 |
| <i>Equity Shares of Rs 10/- each</i> | | | | | |
| Equity shares at the beginning of the year | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 |
| Add: Shares Allotted during the year | - | - | - | - | - |
| <i>Equity Shares at the end of the year</i> | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 |
| | | | | | |
| <i>Preference Shares of Rs 10/- each</i> | | | | | |
| Preference shares at the beginning of the year | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 |
| Add: Shares Allotted during the year | - | - | - | - | - |
| <i>Preference Shares at the end of the year</i> | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 |

Details of shareholders holding more than 5% of the aggregate shares in the company

| Name of Shareholder | As at March | | | | | | | | | |
|--|---------------|--------|---------------|--------|---------------|--------|---------------|--------|---------------|--------|
| | 2015 | | 2014 | | 2013 | | 2012 | | 2011 | |
| | No. Of Shares | % | No. Of Shares | % | No. Of Shares | % | No. Of Shares | % | No. Of Shares | % |
| <u>Equity Share Capital</u> | | | | | | | | | | |
| Kailash D Dubal | 9.50 | 95.00% | 9.50 | 95.00% | 9.50 | 95.00% | 9.50 | 95.00% | 9.50 | 95.00% |
| <u>Preferance Share Capital</u> | | | | | | | | | | |
| Venkat Rajendran | 7.50 | 75.00% | 7.50 | 75.00% | 7.50 | 75.00% | 7.50 | 75.00% | 7.50 | 75.00% |
| Kailash D Dubal | 2.50 | 25.00% | 2.50 | 25.00% | 2.50 | 25.00% | 2.50 | 25.00% | 2.50 | 25.00% |

DETAILS OF RESERVES & SURPLUS AS RESTATED
ANNEXURE - VI
Rs. in Lakhs

| Particulars | As at March 31 | | | | |
|---|----------------|---------------|---------------|---------------|---------------|
| | 2015 | 2014 | 2013 | 2012 | 2011 |
| | | | | | |
| <u>Surplus (Profit & Loss Account)</u> | | | | | |
| Opening Balance | 375.83 | 260.00 | 151.59 | 127.46 | 114.95 |
| Add: Profit for the year | 269.79 | 115.83 | 108.41 | 24.13 | 4.20 |
| Less: Excess Tax Provision for opening period | - | - | - | - | 8.31 |
| Closing Balance | 645.62 | 375.83 | 260.00 | 151.59 | 127.46 |
| | | | | | |
| TOTAL | 645.62 | 375.83 | 260.00 | 151.59 | 127.46 |

DETAILS OF LONG TERM BORROWINGS AS RESTATED
ANNEXURE – VII
Rs. in Lakhs

| Particulars | As at March 31 | | | | |
|--------------------------|----------------|--------------|--------------|----------|----------|
| | 2015 | 2014 | 2013 | 2012 | 2011 |
| <u>Secured</u> | | | | | |
| <i>Term Loan</i> | | | | | |
| -from Banks | 15.85 | 11.97 | - | - | - |
| -from Others | 241.09 | - | - | - | - |
| | | | | | |
| <u>Unsecured</u> | | | | | |
| Loan from Directors | 202.09 | - | - | - | |
| Loan from Body Corporate | 58.54 | 44.47 | 64.65 | - | - |
| | | | | | |
| TOTAL | 517.58 | 56.43 | 64.65 | - | - |

NATURE OF SECURITY AND TERMS OF REPAYMENT FOR LONG TERM BORROWINGS

| Sl.No. | Nature of Security | Terms of Repayment |
|--------|---|--|
| 1 | Andhra Bank Toyota Innova Car Loan amounting to Rs 10 lakhs | Loan to be repaid in 36 equal monthly installment starting from October, 2014 and last installment due on September, 2017. |
| 2 | Karnataka Bank Toyota Innova Car Loan amounting to Rs. 14 lakhs | Loan to be repaid in 84 equal monthly installment starting from November, 2013 and last installment due on October, 2020. |
| 3 | ICICI Bank SX4 Car Loan amounting to Rs 6.30 lakhs | Loan to be repaid in 36 equal monthly installment starting from January, 2008 and last installment due on December, 2010. |

| Sl.No. | Nature of Security | Terms of Repayment |
|--------|--|---|
| 4 | HDB Financial Services Mortgage Loan against office property amounting to Rs 2.68 crores | Loan to be repaid in 84 equal monthly installment starting from March, 2015 and last installment due on February, 2022. |

DETAILS OF OTHER LONG TERM LIABILITIES AS RESTATED

ANNEXURE – VIII

Rs. In Lakhs

| Particulars | As at March 31 | | | | |
|-------------------------------|----------------|--------------|---------------|---------------|----------|
| | 2015 | 2014 | 2013 | 2012 | 2011 |
| Others | | | | | |
| Advance Lease Rental received | 21.45 | 69.52 | 117.59 | 165.66 | - |
| | | | | | |
| TOTAL | 21.45 | 69.52 | 117.59 | 165.66 | - |

DETAILS OF LONG TERM PROVISIONS AS RESTATED

ANNEXURE – IX

Rs. in Lakhs

| Particulars | As at March 31 | | | | |
|------------------------------------|----------------|---------------|---------------|---------------|---------------|
| | 2015 | 2014 | 2013 | 2012 | 2011 |
| Employee Benefit | | | | | |
| Gratuity Payable | 17.36 | 15.10 | 10.71 | 5.02 | 3.60 |
| Others | - | - | - | - | - |
| Provision for Development Expenses | 131.47 | 131.45 | 132.19 | 131.45 | 131.45 |
| | | | | | |
| TOTAL | 148.82 | 146.56 | 142.89 | 136.47 | 135.05 |

DETAILS OF SHORT TERM BORROWINGS AS RESTATED

ANNEXURE – X

Rs. in Lakhs

| Particulars | As at March 31 | | | | |
|---------------------------------------|----------------|----------|--------------|----------|----------|
| | 2015 | 2014 | 2013 | 2012 | 2011 |
| Secured | | | | | |
| Loan against FD | - | - | 26.15 | - | - |
| (secured against bank fixed deposits) | | | | | |
| TOTAL | - | - | 26.15 | - | - |

DETAILS OF TRADE PAYABLES AS RESTATED
ANNEXURE – XI
Rs. in Lakhs

| Particulars | As at March 31 | | | | |
|--|-----------------|---------------|---------------|-------------|--------------|
| | 2015 | 2014 | 2013 | 2012 | 2011 |
| <u>Unsecured, considered good</u> | | | | | |
| Due to Micro, Small and Medium Enterprises | | | | | |
| Others | 1,099.30 | 521.30 | 272.30 | 9.28 | 38.20 |
| TOTAL | 1,099.30 | 521.30 | 272.30 | 9.28 | 38.20 |

DETAILS OF OTHER CURRENT LIABILITIES AS RESTATED
ANNEXURE – XII
Rs. in Lakhs

| Particulars | As at March 31 | | | | |
|--|-----------------|-----------------|-----------------|---------------|---------------|
| | 2015 | 2014 | 2013 | 2012 | 2011 |
| <u>Current maturities of long term debt</u> | | | | | |
| Term loan | 24.97 | - | - | - | - |
| Vehicle loan | 4.74 | 1.47 | 1.07 | 2.64 | 2.66 |
| <u>Other payables</u> | | | | | |
| Creditors for expenses | 203.75 | 87.01 | 93.58 | 29.27 | 22.33 |
| Creditors for Capital Goods | 3.18 | - | 0.08 | - | - |
| Advance from customers | 1,657.83 | 1,356.27 | 497.22 | 619.24 | 417.35 |
| Statutory dues | 66.51 | 100.67 | 106.67 | 11.35 | 3.12 |
| Income received in advance | 430.90 | 551.70 | 818.57 | 75.07 | 54.00 |
| TOTAL | 2,391.88 | 2,097.12 | 1,517.18 | 737.57 | 499.47 |

DETAILS OF SHORT TERM PROVISIONS AS RESTATED
ANNEXURE – XIII
Rs. in Lakhs

| Particulars | As at March 31 | | | | |
|--------------------------|----------------|--------------|--------------|--------------|-------------|
| | 2015 | 2014 | 2013 | 2012 | 2011 |
| Others | | | | | |
| Provision for Income Tax | 109.03 | 67.03 | 48.30 | 15.52 | 6.18 |
| Gratuity Payable | 0.53 | 1.65 | 1.17 | 0.59 | 0.37 |
| TOTAL | 109.56 | 68.68 | 49.47 | 16.11 | 6.56 |

DETAILS OF LONG TERM LOANS & ADVANCES AS RESTATED
ANNEXURE – XIV
Rs. in Lakhs

| Particulars | As at March 31 | | | | |
|---|----------------|-------------|-------------|---------------|---------------|
| | 2015 | 2014 | 2013 | 2012 | 2011 |
| <u>Unsecured considered good</u> | | | | | |
| Security Deposit | 0.06 | 0.06 | 0.06 | 125.06 | 125.06 |
| Advances to Others | - | - | - | 0.84 | - |
| | | | | | |
| TOTAL | 0.06 | 0.06 | 0.06 | 125.90 | 125.06 |

DETAILS OF INVENTORIES AS RESTATED
ANNEXURE – XV
Rs. in Lakhs

| Particulars | As at March 31 | | | | |
|------------------|-----------------|-----------------|---------------|---------------|---------------|
| | 2015 | 2014 | 2013 | 2012 | 2011 |
| Raw materials | - | - | - | - | - |
| Work-in-progress | - | - | - | - | - |
| Finished goods | 1,760.37 | 1,289.63 | 720.07 | 127.84 | 155.31 |
| | | | | | |
| TOTAL | 1,760.37 | 1,289.63 | 720.07 | 127.84 | 155.31 |

DETAILS OF TRADE RECEIVABLES AS RESTATED
ANNEXURE – XVI
Rs. in Lakhs

| Particulars | As at March 31 | | | | |
|--|----------------|---------------|---------------|---------------|--------------|
| | 2015 | 2014 | 2013 | 2012 | 2011 |
| <u>Unsecured, considered good</u> | | | | | |
| Less than six months | - | - | 15.12 | 196.86 | 28.53 |
| More than six months | 249.12 | 208.52 | 165.00 | - | - |
| | | | | | |
| TOTAL | 249.12 | 208.52 | 180.12 | 196.86 | 28.53 |

DETAILS OF SHORT TERM LOANS & ADVANCES AS RESTATED
ANNEXURE – XVII
Rs. in Lakhs

| Particulars | As at March 31 | | | | |
|----------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 2015 | 2014 | 2013 | 2012 | 2011 |
| Advance for expenses | - | - | 14.27 | - | 0.05 |
| Advance to Others | 2,701.10 | 1,870.45 | 1,709.27 | 1,298.85 | 1,104.12 |
| | - | - | - | - | - |
| TOTAL | 2,701.10 | 1,870.45 | 1,723.55 | 1,298.85 | 1,104.17 |

DETAILS OF OTHER INCOME AS RESTATED
ANNEXURE – XVIII
Rs. in Lakhs

| Particulars | As at March 31 | | | | | |
|--|----------------|-------------|--------------|-------------|--------------|---|
| | 2015 | 2014 | 2013 | 2012 | 2011 | |
| Other income | 6.90 | 4.71 | 20.74 | 3.15 | 1.09 | |
| | - | - | - | - | - | |
| Net Profit Before Tax as Restated | 389.63 | 150.00 | 141.89 | 34.33 | 8.75 | |
| | | | | | | |
| Percentage | 1.77 | 3.14 | 14.62 | 9.17 | 12.45 | |
| Interest Income | 6.84 | 1.18 | 0.29 | - | 1.09 | Recurring and not related to business activity. |
| Rent Income | - | 0.90 | - | - | - | Non recurring and related to business activity |
| Interior Designing / Development Charges | - | - | 20.42 | - | - | Non recurring and related to business activity |
| Trade Payables W/off | - | 2.51 | - | 2.94 | - | Recurring and related to business activity. |
| Miscellaneous Receipts | 0.07 | 0.12 | 0.02 | 0.21 | - | Non recurring and not related to business activity. |
| | | | | | | |
| Total Other income | 6.90 | 4.71 | 20.74 | 3.15 | 1.09 | |
| | | | | | | |

DETAILS OF CONTINGENT LIABILITIES AS RESTATED
ANNEXURE – XIX
Rs. in Lakhs

| Particulars | As at March 31 | | | | |
|----------------------------|----------------|-------------|-------------|------|------|
| | 2015 | 2014 | 2013 | 2012 | 2011 |
| | | | | | |
| Income tax Demand | - | 2.77 | 1.30 | - | - |
| (Late filing Fee u/s 234E) | | | | | |
| TOTAL | - | 2.77 | 1.30 | - | - |

DETAILS OF RELATED PARTY TRANSACTIONS AS RESTATED
Name of the Relative
Nature of Relation
Key Management Personnel

- | | | |
|---|-----------------|----------|
| 1 | Kailash D Dubal | Director |
| 2 | Jignesh D Dubal | Director |
| 3 | Srikanth N | Director |

Relatives of Key Management Personnel

- | | | |
|---|------------------|------------------|
| 1 | Bhavika K Dubal | Wife of Director |
| 2 | Vaishali J Dubal | Wife of Director |

Group Company

- | | | |
|---|---|---------------|
| 1 | Concept City Hotels and Hospitality Pvt Ltd | Group Company |
|---|---|---------------|

Rs. in Lakhs

| Name | Nature of Transaction | Amount of Transaction in 2014-15 | Amount Outstanding as on 31.03.2015 (Payable)/Receivable | Amount of Transaction in 2013-14 | Amount Outstanding as on 31.03.2014 (Payable)/Receivable | Amount of Transaction in 2012-13 | Amount Outstanding as on 31.03.2013 (Payable)/Receivable | Amount of Transaction in 2011-12 | Amount Outstanding as on 31.03.12 (Payable)/Receivable | Amount of Transaction in 2010-11 | Amount Outstanding as on 31.03.11 (Payable)/Receivable |
|-----------------|-------------------------|----------------------------------|--|----------------------------------|--|----------------------------------|--|----------------------------------|--|----------------------------------|--|
| | | | | | | | | | | | |
| Kailash D Dubal | Loan Taken | 289.66 | (159.44) | - | - | 596.03 | - | 359.41 | - | - | - |
| | Loan Repaid | 165.81 | - | - | - | 588.60 | - | 75.30 | - | - | - |
| | Interest Paid | - | - | - | - | 9.00 | - | 44.00 | - | - | - |
| | Remuneration | 61.73 | (33.39) | 60.25 | (0.28) | 81.54 | (18.81) | 6.00 | (3.10) | 6.00 | (8.97) |
| | Share Application Money | - | - | 20.06 | (35.59) | - | (15.53) | - | 323.71 | - | 338.91 |
| Jignesh D Dubal | Remuneration | 21.07 | (10.28) | 14.60 | 0.92 | 54.21 | (0.36) | 4.20 | 8.24 | 4.20 | 2.81 |
| | Purchases | - | - | - | - | 35.60 | - | - | - | - | - |
| | Loan Taken | 19.50 | (42.65) | - | - | - | - | - | - | - | - |
| | Share Application Money | - | - | - | 23.15 | - | 25.58 | - | 25.58 | 25.18 | 26.83 |
| Srikanth N | Remuneration | 8.63 | (4.38) | 9.44 | 1.07 | 20.23 | 4.24 | 2.53 | 2.73 | 5.33 | 6.86 |
| | | - | - | - | - | - | - | - | - | - | - |
| Bhavika K | Share | - | - | - | (1.50) | - | (1.50) | - | (1.50) | - | (1.50) |

| Name | Nature of Transaction | Amount of Transaction in 2014-15 | Amount Outstanding as on 31.03.2015 (Payable)/Receivable | Amount of Transaction in 2013-14 | Amount Outstanding as on 31.03.2014 (Payable)/Receivable | Amount of Transaction in 2012-13 | Amount Outstanding as on 31.03.2013 (Payable)/Receivable | Amount of Transaction in 2011-12 | Amount Outstanding as on 31.03.12 (Payable)/Receivable | Amount of Transaction in 2010-11 | Amount Outstanding as on 31.03.11 (Payable)/Receivable |
|--|-------------------------|----------------------------------|--|----------------------------------|--|----------------------------------|--|----------------------------------|--|----------------------------------|--|
| Dubal | Application Money | | | | | | | | | | |
| | Commission Paid | 8.53 | - | - | - | - | - | - | - | - | - |
| | | - | - | - | - | - | - | - | - | - | - |
| Vaishali J Dubal | Commission | 8.04 | (10.37) | 7.42 | 3.68 | 8.14 | 0.33 | - | - | - | - |
| | Share Application Money | - | - | - | (4.50) | - | (4.50) | - | (4.50) | - | (4.50) |
| | | - | - | - | - | - | - | - | - | - | - |
| Concept City Hotels and Hospitality Pvt Ltd | Advance for Land (Net) | 172.94 | 172.94 | 72.43 | 73.68 | 0.05 | 1.25 | - | 1.20 | - | 1.20 |

| Particulars | As at March 31 | | | | |
|--|----------------|---------------|---------------|---------------|---------------|
| | 2015 | 2014 | 2013 | 2012 | 2011 |
| Basic Earnings Per Share (EPS) (Rs.) | 26.98 | 11.58 | 10.84 | 2.41 | 0.42 |
| Diluted Earnings Per Share (EPS) (Rs.) | 13.49 | 5.79 | 5.42 | 1.21 | 0.21 |
| Adjusted Basic and Diluted Earning Per Share (EPS) (Rs.)* | 3.85 | 1.65 | 1.55 | 0.34 | 0.06 |
| Return on Net Worth (%) | 31.90% | 20.12% | 23.57% | 6.86% | 1.28% |
| Net Asset Value per equity share (Rs.) | 74.56 | 47.58 | 36.00 | 25.16 | 22.75 |
| Adjusted Net Asset Value per equity share (Rs.)** | 12.08 | 8.23 | 6.57 | 5.02 | 4.68 |
| Weighted Average Number of Equity Shares at the end of the year | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 |
| Weighted Average Number of Equity Shares at the end of the year as adjusted with bonus shares issued and Convertible Preference Shares | 70.00 | 70.00 | 70.00 | 70.00 | 70.00 |
| Restated Profit after Tax as per Statement of Profit and Loss | 269.79 | 115.83 | 108.41 | 24.13 | 4.20 |
| Less: Preference dividend and tax thereon | - | - | - | - | - |
| Restated Profit after Tax available to equity Shareholders | 269.79 | 115.83 | 108.41 | 24.13 | 4.20 |
| Restated Net Worth | 845.62 | 575.83 | 460.00 | 351.59 | 327.46 |
| Less: Preference Share Capital | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| Restated Net Worth of Equity Shareholders | 745.62 | 475.83 | 360.00 | 251.59 | 227.46 |
| Nominal Value per Equity share (Rs.) | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 |

1. Ratios have been calculated as below

Basic Earnings Per Share (EPS) (Rs.)

Restated Profit after Tax available to equity Shareholders

Weighted Average Number of Equity Shares at the end of the year

Diluted Earnings Per Share (EPS) (Rs.)

Restated Profit after Tax available to equity Shareholders

Weighted Average Number of Equity Shares and Convertible Preference Shares at the end of the year

*Adjusted Basic and Diluted Earnings Per Share (EPS) (Rs.)

Restated Profit after Tax available to equity Shareholders

Weighted Average Number of Equity Shares at the end of the year as adjusted with bonus shares issued and Convertible Preference Shares

Return on Net Worth (%)

Restated Profit after Tax available to equity Shareholders

Restated Net Worth

Net Asset Value per equity share (Rs.)

Restated Net Worth of Equity Shareholders

Weighted Average Number of Equity Shares at the end of the year

**Adjusted Net Asset Value per equity share (Rs.)

Restated Net Worth

Weighted Average Number of Equity Shares at the end of the year as adjusted with bonus shares issued and Convertible Preference Shares

2. Subsequent to 31st March, 2015, the Company has made the following changes in its capital structure, the effects of which have been considered in computing the above accounting ratios :

(i) The Company has converted the entire outstanding preference shares of 10,00,000 shares into equity shares in the ratio of 1:1

(ii) The Company has issued bonus shares to its existing equity shareholders and the converted preference shareholders in the ratio of 5 shares for every 2 shares held by them by capitalising its reserved.

CAPITALISATION STATEMENT AS AT JUNE 30, 2015

ANNEXURE – XXII

(Amt. in lakhs)

| Particulars | Pre Issue | Post Issue |
|--|---------------|-----------------|
| Borrowings | | |
| Short term debt (A) | - | - |
| Long Term Debt (B) | | |
| - Term Loan | 517.58 | 517.58 |
| -Current Maturities | 29.71 | 29.71 |
| Total debts (C) | 547.29 | 547.29 |
| Shareholders' funds | | |
| Equity share capital | 700.00 | 952.00 |
| Reserve and surplus - as restated | 145.62 | 1027.62 |
| Total shareholders' funds | 845.62 | 1979.62- |
| Long term debt / shareholders funds | 0.65 | |
| Total debt / shareholders funds | 0.65 | |

Note : Since March 31, 2015 (which is the last date as of which financial information is given in para of this document) equity share capital was increased from Rs. 100 lakhs to Rs. 700 lakhs by Conversion of each preference share into one equity shares and by issue of bonus shares in the ratio of 5 share for every 2 share held.

STATEMENT OF TAX SHELTERS AS RESTATED

ANNEXURE – XXIII

Rs. in Lakhs

| Particulars | As at March 31 | | | | |
|---|----------------|----------------|----------------|----------------|---------------|
| | 2015 | 2014 | 2013 | 2012 | 2011 |
| Restated Profit before tax as per books (A) | 372.56 | 150.00 | 141.89 | 34.33 | 8.75 |
| Tax Rate (%) | 32.445% | 32.445% | 32.445% | 30.90% | 30.90% |
| Adjustments : | | | | | |
| Permanent Differences(B) | | | | | |
| Expenses disallowed under Income Tax Act, 1961 | 4.46 | 2.33 | 2.15 | 14.65 | - |
| Agricultural Income | (48.07) | (55.57) | (48.07) | (26.63) | - |
| Total Permanent Differences(B) | (43.61) | (53.24) | (45.92) | (11.98) | - |
| Timing Differences (C) | | | | | |
| Difference between tax depreciation and book depreciation | 5.98 | 1.63 | (1.20) | 0.21 | 0.59 |
| Difference due to expenses allowable/ disallowable | - | 2.29 | - | 6.00 | 6.70 |
| Provision for Gratuity | 1.13 | 4.88 | 6.27 | 1.63 | 3.98 |
| Total Timing Differences (C) | 7.10 | 8.79 | 5.07 | 7.85 | 11.26 |
| Net Adjustments D = (B+C) | (36.51) | (44.44) | (40.86) | (4.13) | 11.26 |
| Tax expense / (saving) thereon | (11.84) | (14.42) | (13.26) | (1.28) | 3.48 |
| Taxable Income/(Loss) (A+D) | 336.05 | 105.56 | 101.03 | 30.21 | 20.01 |
| Tax Expense | | | | | |
| Current Tax | 109.03 | 34.25 | 32.78 | 9.33 | 6.18 |
| Deferred tax | (6.26) | (0.08) | 0.70 | 0.87 | (1.63) |
| Total Tax Expense | 102.77 | 34.17 | 33.48 | 10.21 | 4.56 |

The above statement should be read with the notes to restated summary statements of assets and liabilities, profit and loss.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

The following discussion of our financial condition and results of operations should be read in conjunction with our restated financial statements for the years ended 2015, 2014 and 2013 prepared in accordance with the Companies Act and Indian GAAP and restated in accordance with the SEBI ICDR Regulations, including the schedules, annexure and notes thereto and the reports thereon, included in the section titled *"Financial Statements"* on page 171 of this Prospectus.

Indian GAAP differs in certain material aspects from U.S. GAAP and IFRS. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Prospectus, nor do we provide reconciliation of our financial statements to those under U.S. GAAP or IFRS. Accordingly, the degree to which the Indian GAAP financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with the Companies Act, Indian GAAP and SEBI ICDR Regulations.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in *"Risk Factors"* and *"Forward-Looking Statements"* on pages 16 and 14, of this Prospectus beginning respectively.

Our Company was incorporated on December 5, 2005 and has completed more than nine years since incorporation. The Management's Discussion and Analysis of Financial Condition and Results of Operations, reflects the analysis and discussion of our financial condition and results of operations for years ended 31st March, 2015, 2014 and 2013.

OVERVIEW

Our Company Sri Krishna Constructions (India) Private Ltd. was incorporated in the year 2005 in the state of Karnataka with the objective of creating a corporate brand in its line of business of real estate development.

Our promoters come from diverse business background and with a view to leverage on the strength of the business experience of over a decade especially in marketing concepts and products joined hands to foray into the real estate business in the year 2003. To begin with, the promoters were involved in only marketing real estate projects. With the passage of time and the growth of business acquaintances, the promoters drawing inspirations from the successful marketing deliveries, surged into full-fledged real estate business venture. With the objective of making a corporate mark in the real estate industry, the promoters started with incorporation of private limited company "Sri Krishna Constructions (India) Private. Limited." in the year 2005.

Our promoters are amongst the prominent residential layout developers of Bangalore. The primary business of our company is the development of residential layouts / properties. The business operations comprise the identification/acquisition of land and development and marketing the land/ projects. The registered office of our Company is situated at No. 1, 4th Main, Sheshadripuram, Nehru Circle, Bangalore, Karnataka, India.

Our promoters are into development and sale of residential layouts. They have steadily built the real estate business since its inception in 2005. As on date of this Prospectus, the promoters have developed more than 20 Lakhs Sq. Ft of residential layouts spread across Bangalore. The promoters have already successfully executed 7 projects and are having 2 ongoing projects and 3 upcoming



projects in Bangalore. Our Company has recently commenced diversification into construction of Villas and Apartments.

Our Company has demonstrated a prominent presence in execution of real estate projects and has developed significant expertise and competencies in this field. Our Company aims to leverage on its strengths and continue expansion into sector which will put our company to desired growth trajectory . Since the very beginning our Company has demonstrated strong vision and its ability to capitalize and identify real estate opportunities. Our Company is currently focusing on opportunities to build a brand in Bangalore. The customers of our Company have been highly appreciative of the developmental activities carried out by our Company, particularly with regards to the speed of execution, flexibility and property management services.

Our promoters are one among the prominent real estate developers. Our promoters enjoy reputation for pioneering concepts in the realty market and ethical practices.

Our promoters are one of the early movers in realty business in Bangalore to introduce the concept of “maintenance of land acquired by customers”. Under this concept, the promoters shall maintain the land purchased by the customers at minimum cost to enable the customers to maintain and enhance their land value over period of time.

Our Company has completed 7 projects and is in the process of completing another 2 projects and also has identified 3 upcoming projects.

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months except as follows:-

1. The Authorised Share Capital of the Company was increased from Rs. 2,00,00,000 divided into 10,00,000 Equity Shares of Rs. 10/- each and 10,00,000 Preference Shares of Rs. 10/- each to Rs. 11,00,00,000 divided into 1,00,00,000 Equity Shares of Rs. 10/- each and 10,00,000 Preference Shares of Rs. 10/- each on June 16, 2015
2. The Authorised Share Capital of the Company was reclassified from Rs. 11,00,00,000 divided into 1,00,00,000 Equity Shares of Rs. 10/- each and 10,00,000 Preference Shares of Rs. 10/- each to Authorised Share Capital of Rs. 11,00,00,000 divided into 1,10,00,000 Equity Shares of Rs. 10/- each on June 18, 2015
3. The Company issued Bonus Shares at a ratio 5 Equity Shares for every 2 Shares held on June 18, 2015 to its existing shareholders.
4. The shareholders passed special resolution for conversion into a Public Limited Company at their meeting held on June 16, 2015 and it was converted vide fresh certificate of Incorporation issue by Registrar of Companies, Karnataka dated June 29, 2015
5. The shareholders have passed a special resolution on June 22, 2015 authorizing the Board of Directors to borrow funds for the purpose of business of the Company upto an amount of Rs. 1000 lakhs.
6. The shareholders have passed a special resolution on June 22, 2015 to authorize the Board of Directors to raise funds by making an initial public offering.

7. We have appointed Kailash Dubal as Managing Director and designated Jignesh Dubal as Chief Financial Officer of the Company with effect from June 22, 2015.
8. We have appointed Mahesh Soneji, Pradeepa Dansale, Rashotham Devale and Vivek Shah as Independent Directors on the Board of our Company. Mahesh Soneji was appointed with effect June 16, 2015 while other Independent Directors were appointed from June 22, 2015.
9. We have appointed Barun Pandey as Company Secretary and Compliance Officer of the Company with effect from June 23, 2015.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “Risk Factor” beginning on page 16 of this Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Government policies
- Changing technologies
- Taxation policies
- Cost of materials and labour
- Competition in Real Estate
- Credit availability
- Identification of land
- Rate of interest policies
- Economic and Demographic conditions
- Purchasing Power and Capital requirements

Regulatory approvals for our upcoming projects and our plans are subject to a number of uncertainties.

We have not applied for any regulatory consents or approvals for our upcoming projects. These upcoming projects are subject to significant changes and modifications from our current management estimates as a result of factors beyond our control, including, among others, regulatory consents and approvals and the availability of financing. Though, we currently intend to develop these upcoming projects, we may or may not develop these projects as planned or at all. In addition, there can be no assurance that if pursued, these projects will be implemented in a timely and cost-effective manner and will improve our results of operations and profitability.

Risk regard to length of time needed to complete each project and cost overruns.

There could be unscheduled delays and cost overruns in relation to our ongoing, forthcoming and upcoming Projects. It takes almost 12 to 24 months to complete the project. Changes to the business environment during such time may affect the costs and revenues associated with the project and may ultimately affect the profitability of a project. If such changes occur during the time it takes to complete a certain project, our return on such project may be lower than expected which could adversely affect our prospects, results of operations and financial condition.

Unscheduled delays and cost overruns in relation to ongoing, forthcoming and upcoming projects can affect our profitability.

Commencement, scheduled implementation and estimated completion of certain of our projects may be delayed due to delays in obtaining approvals and/or delays in execution or other factors. Under the sale agreements which we may enter into with our customers, where the customer



exercises a right to cancel the sale on account of delays in the completion and hand over of the project, we are liable to refund amounts paid to date with interest. This could result in additional liabilities and may adversely affect our financial condition and results of operations.

High dependency on third party contractors for development of our projects.

Our projects require the services of third parties. The development and construction work for our projects is performed by third party contractors/ subcontractors. The timing and quality of construction of the projects we develop depends on the availability and skill of such third parties, as well as contingencies affecting them, including labour and raw material shortages. If contractors are unable to perform their contracts, including completing our developments within the specifications, quality standards, time frames specified by us, at the estimated cost, or at all, our business, reputation and results of operations could be adversely affected.

Fluctuation in market price of our projects

Our total income is affected by the sales prices of our projects which are affected by prevailing market conditions and prices in the real estate sector in Karnataka, generally (including market forces of supply and demand), the nature and location of our projects, and other factors such as our reputation and the design of the projects. Supply and demand market conditions are affected by various factors outside our control, including:

- prevailing local economic, income and demographic conditions;
- availability of consumer financing (interest rates and eligibility criteria for loans);
- availability of and demand for projects comparable to those we develop;
- changes in governmental policies relating to land use;
- changes in applicable regulatory schemes; and
- Competition from other real estate developers.

DISCUSSION ON RESULT OF OPERATION

The following discussion on results of operations should be read in conjunction with the audited financial results of our Company for period ended on March 31, 2015, 2014 and 2013.

OVERVIEW OF REVENUE & EXPENDITURE

Revenues

Income from operations:

Our principal component of income is from development of residential layouts and properties. Our Company follows negotiated price mechanism. We quote prices on the basis of demand of our property.

Other Income:

Our other income mainly includes interest income and miscellaneous receipts. There have been instances when income is received from interior designing, rent and writing off trade payables.

(Rs. In Lakhs)

| Particulars | March 31, | | | |
|-------------------------|---------------|----------------|----------------|----------------|
| | 2012 | 2013 | 2014 | 2015 |
| Income | | | | |
| Revenue from Operations | 303.89 | 1773.91 | 1484.03 | 2843.78 |
| As a % of Total Revenue | 98.97% | 98.84% | 99.68% | 99.76% |
| Other Income | 3.15 | 20.74 | 4.71 | 6.90 |
| As a % of Total Revenue | 1.03% | 1.16% | 0.32% | 0.24% |
| Total Revenue | 307.04 | 1794.65 | 1488.74 | 2850.68 |

Expenditure

Our total expenditure primarily consists of cost of purchase of land and development expenses, contractor expenses and commission.

Cost of Purchase and Development Expenses

Cost of purchases and development expenses comprises of purchase of land acquisition cost, development rights, development and other expenses.

Employee Benefits Expenses

Our employee benefits cost primarily consists of salaries and bonus.

Financial Cost

Our financial cost includes interest on working capital loan and processing fees.

Depreciation

Depreciation includes depreciation on tangible assets such as vehicles, buildings, office equipment, furniture & fixtures and computers.

Other Expenses

Other expenses mainly include purchase of administrative expenses and marketing expenses.



Statement of profits and losses

The following table sets forth, for the fiscal years indicated, certain items derived from our Company's audited restated financial statements, in each case stated in absolute terms and as a percentage of total sales and/or total revenue

(Rs. In Lakhs)

| Particulars | For the Year Ended March 31, | | | |
|---|------------------------------|----------------|----------------|----------------|
| | 2012 | 2013 | 2014 | 2015 |
| INCOME | | | | |
| Revenue from Operations | 303.89 | 1773.91 | 1484.03 | 2843.78 |
| As a % of Total Revenue | 98.97 | 98.84 | 99.68 | 99.76 |
| Other Income | 3.15 | 20.74 | 4.71 | 6.90 |
| As a % of Total Revenue | 1.03 | 1.16 | 0.32 | 0.24 |
| Total Revenue (A) | 307.34 | 1794.65 | 1488.74 | 2850.68 |
| Growth % | 34.01 | 484.50 | (17.05) | 91.48 |
| EXPENDITURE | | | | |
| Cost of Purchase and Development Expenses | 98.54 | 1326.57 | 1046.24 | 2536.59 |
| As a % of Total Revenue | 32.09 | 73.92 | 70.28 | 88.98 |
| Changes in inventories of finished goods and traded goods | 27.47 | (592.23) | (569.56) | (470.74) |
| As a % of Total Revenue | 8.95 | (33.00) | (38.26) | (16.51) |
| Employee benefit Expenses | 32.05 | 191.58 | 126.58 | 154.21 |
| As a % of Total Revenue | 10.44 | 10.68 | 8.50 | 5.41 |
| Finance costs | 45.68 | 56.58 | 25.06 | 31.71 |
| As a % of Total Revenue | 14.88 | 3.15 | 1.68 | 1.11 |
| Depreciation expense | 3.70 | 3.27 | 7.86 | 18.00 |
| As a % of Total Revenue | 1.21 | 0.18 | 0.53 | 0.63 |
| Other Expenses | 65.27 | 666.98 | 702.55 | 191.29 |
| As a % of Total Revenue | 21.26 | 37.16 | 47.19 | 6.71 |
| Total Expenses (B) | 272.71 | 1652.75 | 1338.73 | 2461.06 |
| As a % of Total Revenue | 88.82 | 92.09 | 89.82 | 86.33 |
| Profit before tax (A-B) | 34.33 | 141.90 | 150.00 | 389.62 |
| As a % of Total Revenue | 11.18 | 7.91 | 10.08 | 13.67 |
| Prior period items (Net) | 0.00 | 0.00 | 0.00 | 0.00 |
| Profit before exceptional, extraordinary items and tax | 34.33 | 141.90 | 150.00 | 389.62 |
| As a % of Total Revenue | 11.18 | 7.91 | 10.08 | 13.67 |
| Exceptional items | 0.00 | 0.00 | 0.00 | 17.07 |
| Profit before extraordinary items and tax | 34.33 | 141.90 | 150.00 | 372.55 |
| As a % of Total Revenue | 11.18 | 7.91 | 10.08 | 13.07 |

| Particulars | For the Year Ended March 31, | | | |
|-----------------------------|------------------------------|--------------|--------------|---------------|
| | 2012 | 2013 | 2014 | 2015 |
| Extraordinary items | 0.00 | 0.00 | 0.00 | 0.00 |
| Profit before tax | 34.33 | 141.90 | 150.00 | 372.55 |
| PBT Margin | 11.18 | 7.91 | 10.08 | 13.07 |
| Tax expense : | | | | |
| (i) Current tax | 9.33 | 32.78 | 34.25 | 109.03 |
| (ii) Deferred tax | 0.87 | 0.70 | -0.08 | -6.26 |
| (iii) MAT Credit | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Tax Expense | 10.20 | 33.48 | 34.17 | 102.77 |
| Profit for the year/ period | 24.13 | 108.42 | 115.83 | 269.78 |
| PAT Margin | 7.86 | 6.04 | 7.78 | 9.46 |

REVIEW OF YEAR ENDED MARCH 31, 2015

INCOME

Income from Operations

Our income from operations was Rs. 2843.78 lakhs which is almost 99.76% of our total revenue for the year ended on March 31, 2015.

Other Income

Our other income was Rs. 6.90 lakhs which is almost negligible of our total revenue for the year ended on March 31, 2015.

EXPENDITURE

Cost of Purchase and Development Expenses

Our cost for materials consumed was Rs. 2536.59 lakhs which is 88.98 % of our total revenue for the year ended on March 31, 2015.

Changes in inventories

Changes in inventories of finished goods were of Rs. 470.04 lakhs which was 16.51% of our total revenue for the year ended March 31, 2015.

Employee Benefits Expenses

Our employee benefits expenses were Rs. 154.21 lakhs which was 5.41% of our total revenue for the year ended March 31, 2015.

Financial Cost

Our financial cost was Rs. 31.71 lakhs which is 1.11% of our total revenue for the year ended March 31, 2015.



Depreciation

Depreciation expenses were Rs. 18 lakhs which is 0.63% of our total revenue for the year ended March 31, 2015.

Other Expenses

Our other expenses were Rs. 191.29 lakhs which is 6.71 % of our total income for the year ended March 31, 2015.

Profit before Tax

Our profit before tax was Rs. 389.69 lakhs which is 13.67% of our total revenue for the year ended March 31, 2015.

NET PROFIT AFTER TAX

Our net profit after restated accounts is Rs. 269.79 lakhs for the year ended on March 31, 2015.

COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2015 WITH FINANCIAL YEAR ENDED MARCH 31, 2014

INCOME

Income from Operations

| Particulars | 2013-2014 | 2014-2015 | Variance |
|------------------|-------------|-------------|----------|
| | (Rs. Lakhs) | (Rs. Lakhs) | (%) |
| Operating Income | 1484.03 | 2843.78 | 91.63% |

The operating income of the Company for the year ending March 31, 2015 is Rs. 2843.78 lakhs as compared to Rs. 1484.03 lakhs for the year ending March 31, 2014, showing an increase of 91.63%. The increase was mainly due to start of owned projects and increased sales. This was mainly due to start of owned projects and increase in sales.

Other Income

Our other income increased by 46.50% from Rs. 4.71 lakhs to Rs. 6.90 lakhs.

DIRECT EXPENDITURE

| Particulars | 2013-2014 | 2014-2015 | Variance |
|---|------------|------------|----------|
| | (Rs. Lacs) | (Rs. Lacs) | (%) |
| Cost of Purchase and Development Expenses | 1046.24 | 2536.59 | 142.45% |

The direct expenditure has increased from Rs. 1046.24 lakhs in Financial Year 2013-2014 to Rs. 2536.59 lakhs in Financial Year 2014-2015 showing an increase of 142.45% over the previous year. The increase was due to purchase of land during the Financial Year 2014-2015.

ADMINISTRATIVE AND EMPLOYEE COSTS

| Particulars | 2013-2014 | 2014-2015 | Variance |
|---------------------------|------------|------------|----------|
| | (Rs. Lacs) | (Rs. Lacs) | (%) |
| Employee Benefit Expenses | 126.58 | 154.21 | 21.83% |
| Other Expenses | 702.55 | 191.29 | 72.77% |

There is an increase in employee benefit expenses from Rs. 126.85 lakhs to Rs. 154.21 lakhs was due to increase in salary.

Other expenses mainly include administrative expenses, selling and marketing expenses. This was reduced due to direct selling to customers.

Administrative expenses have decreased from Rs. 702.55 lakhs to Rs. 191.29 lakhs in financial year 2014-15.

FINANCE CHARGES

The finance charges for the period Financial Year 2014-2015 have increased to Rs. 31.71 lakhs as compared to Rs. 25.06 lakhs for the Financial Year 2013-14.

DEPRECIATION

Depreciation expenses for the Financial Year 2014-2015 have increased to Rs. 18.00 lakhs as compared to Rs.7.86 lakhs for the Financial Year 2013-2014.

PROFIT BEFORE TAX

| Particulars | 2013-2014 | 2014-2015 | Variance |
|-------------------|------------|------------|----------|
| | (Rs. Lacs) | (Rs. Lacs) | (%) |
| Profit Before Tax | 150.00 | 372.55 | 148.37% |

Profit before tax increased by 148.37% from Rs. 150 lakhs to Rs. 372.55 lakhs. As percentage of total revenue, profit before tax was increased from 10.08% in 2013-14 to 13.67% in 2014-15.

PROVISION FOR TAX AND NET PROFIT

| Particulars | 2013-2014 | 2014-2015 | Variance |
|-------------------|------------|------------|----------|
| | (Rs. Lacs) | (Rs. Lacs) | (%) |
| Taxation Expenses | 34.17 | 102.77 | 200.76% |
| Profit after Tax | 115.83 | 269.78 | 132.91% |

Taxation expense increased from Rs. 34.17 lakhs to Rs. 102.77 lakhs. The increase was due to increase in sales. Profit after tax also increased from Rs. 115.89 lakhs to Rs. 269.78 lakhs

COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2014 WITH FINANCIAL YEAR ENDED MARCH 31, 2013

INCOME

Revenue from Operations

| Particulars | 2012-2013 | 2013-2014 | Variance |
|------------------|------------|------------|----------|
| | (Rs. Lacs) | (Rs. Lacs) | (%) |
| Operating Income | 1773.91 | 1484.03 | 16.34% |

The operating income of the Company for the financial year 2013-2014 was Rs.1484.03 lakhs as compared to Rs. 1773.91 lakhs for the financial year 2012-2013, showing a decrease 16.34%. Company had on going projects in the financial year 2013-14 and thus the sale was recorded in next financial year.

Other Income

Other Income of the Company for the financial year 2012-2013 was 20.74 lakhs which decreased by 77.29% to Rs. 4.71 lakhs during the financial year 2013-14.

DIRECT EXPENDITURE

| Particulars | 2012-2013 | 2013-2014 | Variance |
|---------------------------|------------|------------|----------|
| | (Rs. Lacs) | (Rs. Lacs) | (%) |
| Cost of material consumed | 1326.57 | 1046.24 | 21.13% |

The direct expenditure decreased from Rs. 1326.57 lakhs in financial year 2012-13 to Rs. 1046.24 lakhs in financial year 2013-14 showing a decrease of 21.13% over the previous year.

ADMINISTRATIVE AND EMPLOYEE COSTS

| Particulars | 2012-2013 | 2013-2014 | Variance |
|---------------------------|------------|------------|----------|
| | (Rs. Lacs) | (Rs. Lacs) | (%) |
| Employee Benefit Expenses | 191.58 | 126.58 | 33.93% |
| Other expenses | 666.98 | 702.55 | 5.33% |

Employee Benefit Expenses in financial year 2013-2014 have decreased by 33.93% to Rs.126.58 lakhs as against Rs. 191.58 lakhs in financial year 2012-2013. The decrease was due to decrease in volume of salary

Other expenses increased from Rs. 666.98 lakhs in financial year 2012-13 to Rs.702.55 lakhs in financial year 2013-14 showing an increase of 5.33% over the previous financial year. Increase in other expenses mainly includes administrative and marketing expenses.

FINANCE CHARGES

The finance charges for the Financial Year 2013- 2014 decreased to Rs. 25.06 lakhs from Rs. 56.58 lakhs during the financial year 2012-13.

DEPRECIATION

Depreciation for the year financial year 2013-14 has increased to Rs. 7.86 lakhs as compared to Rs. 3.27 lakhs for the period 2012-13.

PROFIT BEFORE TAX

| Particulars | 2012-2013 | 2013-2014 | Variance |
|-------------------|------------|------------|----------|
| | (Rs. Lacs) | (Rs. Lacs) | (%) |
| Profit Before Tax | 141.90 | 150.00 | 5.71% |

The Profit Before Tax has increased to Rs. 10.08 lakhs from Rs. 7.91 lakhs showing an increase of 5.71%. This was due to increase in margin.

PROVISION FOR TAX AND NET PROFIT

| Particulars | 2012-2013 | 2013-2014 | Variance |
|-------------------|------------|------------|----------|
| | (Rs. Lacs) | (Rs. Lacs) | (%) |
| Taxation Expenses | 33.48 | 34.17 | 2.06% |
| Profit after Tax | 108.42 | 115.83 | 6.83% |

Taxation Expenses increased by 2.06% during the financial year 2013-14 compared with the financial year 2012-13. Taxation expenses increased to Rs. 34.17 lakhs in the financial year 2013-14 as compared to 33.48 lakhs in the financial year 2012-13.

Profit after tax increased to Rs. 115.83 lakhs in the financial year 2012-13 as compared to Rs. 108.42 lakhs in the financial year 2012-13.

COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2013 WITH FINANCIAL YEAR ENDED MARCH 31, 2012

INCOME

Revenue from Operations

| Particulars | 2011-2012 | 2012-2013 | Variance |
|------------------|------------|------------|----------|
| | (Rs. Lacs) | (Rs. Lacs) | (%) |
| Operating Income | 303.89 | 1773.91 | 483.73% |

The operating income of the Company for the financial year 2013-2014 was Rs.1773.91 lakhs as compared to Rs. 303.89 lakhs for the financial year 2012-2013, showing an increase of 483.73%. The increase was due to new projects.

Other Income

Other Income of the Company for the financial year 2011-2012 was 3.15 lakhs which increased by to Rs. 20.74 lakhs during the financial year 2012-13.

DIRECT EXPENDITURE

| Particulars | 2011-2012 | 2012-2013 | Variance |
|----------------------------------|------------|------------|----------|
| | (Rs. Lacs) | (Rs. Lacs) | (%) |
| Cost of purchase and development | 98.54 | 1326.57 | 1246.22% |

The direct expenditure increased from Rs. 98.54 lakhs in financial year 2011-12 to Rs. 1326.57 lakhs in financial year 2012-13 showing an increase of 1246.22% over the previous year. The increase was due to increase in projects during financial year 2012-13

ADMINISTRATIVE AND EMPLOYEE COSTS

| Particulars | 2011-2012 | 2012-2013 | Variance |
|---------------------------|------------|------------|----------|
| | (Rs. Lacs) | (Rs. Lacs) | (%) |
| Employee Benefit Expenses | 32.05 | 191.58 | 497.75% |
| Other expenses | 65.27 | 666.98 | 921.88% |

Employee Benefit Expenses in financial year 2012-2013 have increased by 497.75% to Rs. 191.58 lakhs as against Rs. 32.05 lakhs in financial year 2011-2012. The increase was due to increase in employee expenses.

Other expenses increased from Rs. 65.27 lakhs in financial year 2011-12 to Rs. 666.98 lakhs in financial year 2012-13 showing an increase of 921.88% over the previous financial year. Increase in other expenses mainly includes administrative and marketing expenses.

FINANCE CHARGES

The finance charges for the Financial Year 2012- 2013 increased from 45.68 lakhs to 56.58 lakhs in the financial year 2011-12



DEPRECIATION

Depreciation for the year financial year 2012-13 has decreased marginally to Rs. 3.27 lakhs as compared to Rs. 3.70 lakhs for the financial year 2011-12.

PROFIT BEFORE TAX

| Particulars | 2011-12 | 2012-2013 | Variance |
|-------------------|------------|------------|----------|
| | (Rs. Lacs) | (Rs. Lacs) | (%) |
| Profit Before Tax | 34.33 | 141.90 | 313.34% |

The Profit Before Tax has increased to Rs. 141.90 lakhs from Rs. 34.33 lakhs showing an increase of 313.34%.

PROVISION FOR TAX AND NET PROFIT

| Particulars | 2011-2012 | 2012-2013 | Variance |
|-------------------|------------|------------|----------|
| | (Rs. Lacs) | (Rs. Lacs) | (%) |
| Taxation Expenses | 10.20 | 33.48 | 228.24% |
| Profit after Tax | 24.13 | 108.42 | 349.32% |

Taxation Expenses have increased to 33.48 lakhs in the financial year 2011-12 from as compared to 10.20 lakhs in the financial year 2012-13.

Profit after tax increased to 108.42 lakhs as compared to 24.13 lakhs for the financial year 2011-12.

OTHER MATTERS

1. Unusual or infrequent events or transactions

Except as described in this Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations

Other than as described in the section titled "Risk Factors" beginning on page 16 of this Prospectus to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

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

Other than as disclosed in the section titled "Risk Factors" beginning on page 16 of this Prospectus to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

4. Future relationship between Costs and Income

Our Company's future costs and revenues will be determined by demand/supply situation, government policies and prices of land.

5. The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased prices

Increase in revenue is by and large linked to increases in volume of business activity by the Company.

6. Total turnover of each major industry segment in which the issuer company operates.

The Company is operating in Real Estate Industry. Relevant industry data, as available, has been included in the chapter titled *“Our Industry”* beginning on page 108 of this Prospectus.

7. Status of any publicly announced new products/projects or business segments

Our Company has not announced any new projects or business segments, other than disclosed in the Prospectus.

8. The extent to which the business is seasonal

Our Company business is not seasonal in nature.

9. Any significant dependence on a single or few suppliers or customers

The % of Contribution of our Company’s customer and supplier vis a vis the total income and finished goods / traded goods cost respectively as March 31, 2014 is as follows:

| | Customers | Suppliers |
|------------|-----------|-----------|
| Top 5 (%) | 30.37 | 91.79 |
| Top 10 (%) | 41.93 | 96.27 |

10. Competitive Conditions

We face competition from existing and potential unorganized competitors which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in section titled *“Our Business”* on page 122 of this Prospectus.

FINANCIAL INDEBTEDNESS

Our Company utilizes various credit facilities from bank and financial institutions, for conducting its business.

Set forth is a brief of our company's secured and unsecured borrowings from banks and financial institutions together with a brief description of certain significant terms of such financing arrangements.

SECURED BORROWINGS

1. Loan of Rs. 268 Lakhs sanctioned by HBD Financial Services Limited vide loan agreement dated January 31, 2015

| | |
|---|--|
| Name of the Lender | HBD Financial Services Limited |
| Facility | Loan against Property – Rs. 268 Lakhs |
| Interest Rate | FRR (19%) - 5.50% = 13.50% per annum |
| Tenure/ Repayment schedule | 84 Equal Monthly Installments |
| Security | Mortgage of Office Property situated at: G Floor, Property bearing No. 1/1, Old No.3, 4 th Main Road, Khata PID No.27-75-3, Gandhinagar Ward, South Park Road, Nehru Nagar, Sheshadripuram, Bangalore. |
| Outstanding Amount as on March 31, 2015. | Rs. 266.07 lakhs |

Key restrictive covenants as per Term Loan Agreement

1. The Borrower shall not without the written consent of HDBFSL raise finance by way of loans, overdrafts, or otherwise in any manner from any other bank or financial institution or any other person whatsoever against the same security as created under this Agreement for securing the interest of HDBFSL under this agreement.
2. The Borrower shall not without the prior written consent of HDBFSL create any further encumbrance or charge whether by way of mortgage, pledge, hypothecation or otherwise over the security created under this agreement.
3. The Borrower shall not create any tenancy, license or lease on the property/ properties offered as security to this Loan Facility (if applicable).
4. The borrower shall not after the date of this agreement without prior written consent of HDBFSL, do the following acts, that is to say:
 - a. Effect any change in the company's capital structure
 - b. Formulate any scheme of amalgamation or restructuring
 - c. Implementing any scheme of expansion and acquisition of fixed assets
 - d. Make any investment / advances or deposit amounts with any other concern

- e. Enter into any borrowing arrangement with any other bank/ financial institution / company
 - f. Undertake any guarantee or obligation on behalf of any of the company / entity
 - g. Declare dividend of any year except out of profit relating to that year
 - h. Change the composition of the Board of Directors
 - i. Do commit or omit any act, deed of thing whatsoever so as to incur winding up or liquidation proceedings or dissolution.
5. The Borrower shall also keep HDBFSL informed of any circumstances of any adversely affecting its financial position/ performance.

2. Loan of Rs. 14 Lakhs sanctioned by The Karnataka Bank Limited

| | |
|--|--|
| Name of the Lender | Karnataka Bank Limited |
| Facility | Vehicle Loan – Rs. 14 Lakhs |
| Interest Rate | Basic Rate (10.75%) + 0.50 = 11.25% per annum |
| Tenor/ Repayment schedule | 84 Equal Monthly Installments |
| Security | Hypothecation of : Toyota Innova car bearing Registration Number KA04MM6589 |
| Outstanding Amount as on March 31, 2015 | Rs. 11.99 lakhs |

Key restrictive covenants as per Loan Agreement

The Borrower Undertakes:

1. Not to create any further charge/ encumbrance over the hypothecated property so as to affect the rights of the bank.
2. Not to part with the hypothecated property or any part thereof without the prior written consent of the bank.

3. Loan of Rs. 10 Lakhs sanctioned by the Andhra Bank Limited

| | |
|--|---|
| Name of the Lender | Andhra Bank Limited |
| Facility | Vehicle Loan – Rs. 10 Lakhs |
| Interest Rate | Basic Rate 10.25% + 3.25 = 13.50% per annum |
| Tenor/ Repayment schedule | 84 Equal Monthly Installments |
| Security | Hypothecation of Toyota Innova car |
| Outstanding Amount as on March 31, 2015 | Rs. 8.60 lakhs |

UNSECURED BORROWINGS

1. Loans from Director

| Director | Outstanding Amount as on March 31, 2015 |
|---------------|---|
| Kailash Dubal | Rs. 159.44 Lakhs |
| Jignesh Dubal | Rs. 42.65 Lakhs |

2. Loan from other Companies

| Company | Outstanding Amount as on March 31, 2015 |
|--|---|
| Abhaykumar Lea Fin & Investments Private Limited | Rs. 12.41 Lakhs |
| Abhaykumar Real Estate Private Limited | Rs. 46.13 Lakhs |

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated below and other than as disclosed elsewhere in this Prospectus (i) there are no winding up petitions, outstanding litigation including, but not limited to, suits, criminal proceedings, civil proceedings, statutory or legal proceedings, including those for economic offences, tax liabilities, show cause notices or legal notices pending against our Company, Directors, Promoter and Group Entities or against any other company whose outcome could have a materially adverse effect on the business, operations or financial position of our Company, and (ii) proceedings initiated for economic, civil or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company, and (iii) no disciplinary action has been taken by SEBI or any stock exchange against our Company, Directors, Promoter or Group Entities.

Unless stated to the contrary, the information provided below is as of the date of this Prospectus.

I. Litigation Involving Our Company

1. **Outstanding Litigation**

Criminal Proceedings

There are no criminal proceedings against our Company.

Civil Proceedings

There are no civil proceedings initiated against our Company.

Cases Relating to Taxation Laws

There are no proceedings initiated against our Company under any tax legislation.

2. **Proceedings Initiated Against Our Company For Economic Offences**

There are no proceedings initiated against our Company for any economic offences.

3. **Past Penalties Imposed On Our Company**

There have not been any penalties imposed on our Company in the past.

4. **Pending Notices Against Our Company**

There are no pending notices against our Company.

5. **Material Developments Since The Last Balance Sheet Date**

Except as stated in this Prospectus, there are no material developments since the date of the last balance sheet of our Company.

6. **Outstanding dues to small scale undertaking(s) or any other creditors**

There are no outstanding dues above Rupees One Lakh to small scale undertakings for more than 30 days. There are no outstanding dues above Rupees One Lakh to any other creditors by our Company, except in the ordinary course of business.

7. **Outstanding Litigation Against Other Companies Whose Outcome Could Have An Adverse Effect On Our Company**

There are no outstanding litigation against other companies whose outcome could have an adverse effect on our Company.

8. Adverse Findings Against Our Company And Any Persons Or Entities Connected With Our Company As Regards Non Compliance With Securities Laws

There are no adverse findings involving our Company and any persons or entities connected with our Company as regards non compliance with securities law.

9. Disciplinary Action Taken By SEBI Or Stock Exchanges Against Our Company

There is no disciplinary action taken by SEBI or stock exchanges against our Company.

10. Defaults Including Non-Payment Or Statutory Dues, Over-Dues To Banks Or Financial Institutions

Except as stated in the section “Financial Statements” beginning on page 171 of this Prospectus, there are no defaults including non-payment or statutory dues, over-dues to banks or financial institutions, defaults against banks or financial institutions or rollover or rescheduling of loans or any other liability, defaults in dues payable to holders of any debenture, bonds and fixed deposits or arrears on cumulative preference shares issued by our Company, Promoter and Group Entities and defaults in creation of full security as per the terms of issue or other liabilities.

11. Details Of Any Inquiry, Inspection Or Investigation Initiated Or Conducted Under The Companies Act, 2013 Or The Previous Companies Law

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or the Companies Act, 1956 against our Company in the last five years, and no prosecution has been filed, or fines imposed, or compounding done by our Company under the Companies Act, 2013 or the Companies Act, 1956 in the last five years.

II. Litigation Involving Directors Of Our Company

f. Outstanding Litigation

- a. A criminal case with Criminal Miscellaneous No. 4323 of 2014 is pending against Kailash Dubal, a director of our Company, for offences punishable under Sections 323, 353, 504 and Section 506 read with Section 34 of the Indian Penal Code before the Hon’able Additional City Civil and Sessions Judge, Bangalore City. It has been alleged that Kailash Dubal and others were involved in a confrontation with a traffic police officer (the Complainant) over Kailash Dubal’s car being parked at a no parking zone. It has been alleged that Kailash Dubal and others, threatened and manhandled the Complainant. Kailash Dubal argued that the car parking space in front of his office had been reserved for parking for the owner’s car was owned by Kailash Dubal. The Complainant had asked Kailash Dubal to remove the car to which Kailash Dubal informed the Complainant that the car was parked on the private property of Kailash Dubal. Kailash Dubal, argues that it was then, the Complainant in order to tarnish the image of Kailash Dubal created a big scene and called the media. Kailash Dubal had applied for anticipatory bail under Section 438 of the Criminal Procedure Code, 1973. The Court ordered the release of Kailash Dubal on a personal bond of Rs.50,000/-(Rupees Fifty Thousand Only) and subject to the following conditions:

- i. Kailash Dubal shall not tamper or terrorise the prosecution witness in any manner;
- ii. Kailash Dubal shall co-operate with the respondent/police for the purpose of the further investigation in the case;
- iii. Kailash Dubal shall appear before the committal court or trial court as and when directed to do so;
- iv. Kailash Dubal shall not leave the jurisdiction of Bangalore city till further order; and
- v. Kailash Dubal shall produce their recent residential address proofs issued by a competent authority.

The case is still pending before the Hon'able Additional City Civil and Sessions Judge, Bangalore City.

g. **Past Penalties Imposed On Our Directors**

There are no past penalties imposed on our Directors.

h. **Proceedings initiated against our Directors for economic offences**

There are no proceedings initiated against our Directors for any economic offences.

i. **Tax proceedings initiated against our Directors**

There are no tax proceedings initiated against our Directors.

j. **Directors On The List Of Wilful Defaulters Of RBI**

None of our Directors or any entity with which our Directors are or have been associated as director, promoter, partner and/or proprietor have been declared wilful defaulters by RBI either in the past or present.

III. Litigation involving our Promoter

1. **Outstanding Litigation Against Our Promoter**

- a. A criminal case with Criminal Miscellaneous No. 4323 of 2014 is pending against Kailash Dubal, a director of our Company, for offences punishable under Sections 323, 353, 504 and Section 506 read with Section 34 of the Indian Penal Code before the Hon'able Additional City Civil and Sessions Judge, Bangalore City. It has been alleged that Kailash Dubal and others were involved in a confrontation with a traffic police officer (the Complainant) over Kailash Dubal's car being parked at a no parking zone. It has been alleged that Kailash Dubal and others, threatened and manhandled the Complainant. Kailash Dubal argued that the car parking space in front of his office had been reserved for parking for the owner's car was owned by Kailash Dubal. The Complainant had asked Kailash Dubal to remove the car to which Kailash Dubal informed the Complainant that the car was parked on the private property of Kailash Dubal. Kailash Dubal, argues that it was then, the Complainant in order to tarnish the image of Kailash Dubal created a big scene and called the media. Kailash Dubal had applied for anticipatory bail under Section 438 of the Criminal Procedure Code, 1973. The Court ordered the release of Kailash Dubal on a personal bond

of Rs.50,000/-(Rupees Fifty Thousand Only) and subject to the following conditions:

- i. Kailash Dubal shall not tamper or terrorise the prosecution witness in any manner;
- ii. Kailash Dubal shall co-operate with the respondent/police for the purpose of the further investigation in the case;
- iii. Kailash Dubal shall appear before the committal court or trial court as and when directed to do so;
- iv. Kailash Dubal shall not leave the jurisdiction of Bangalore city till further order; and
- v. Kailash Dubal shall produce their recent residential address proofs issued by a competent authority.

The case is still pending before the Hon'able Additional City Civil and Sessions Judge, Bangalore City.

2. Outstanding Litigation Filed By Our Promoter

There are no pending litigation proceedings, including disputed outstanding litigation and material developments or proceeding filed by our Promoter.

3. Past Penalties Imposed On Our Promoter

There are no past penalties imposed on our Promoter.

4. Litigation/ Legal Action Pending or Taken by Any Ministry or Department of the Government or a Statutory Authority Against Any Promoter.

No litigation/ legal action is pending or has been taken by any Ministry or Department of the Government of India or any statutory authority against our Promoter in the last five years.

5. Proceedings Initiated Against Our Promoter For Economic Offences

There are no proceedings initiated against our Promoter, for any economic offences.

6. Tax proceedings initiated against our Promoter

There are no tax proceedings initiated against our Promoter outstanding as on the date of this Prospectus.

7. Criminal Proceedings Initiated Against Our Promoter

- a. A criminal case with Criminal Miscellaneous No. 4323 of 2014 is pending against Kailash Dubal, a director of our Company, for offences punishable under Sections 323, 353, 504 and Section 506 read with Section 34 of the Indian Penal Code before the Hon'able Additional City Civil and Sessions Judge, Bangalore City. It has been alleged that Kailash Dubal and others were involved in a confrontation with a traffic police officer (the Complainant) over Kailash Dubal's car being parked at a no parking zone. It has been alleged that Kailash Dubal and others, threatened and manhandled the Complainant. Kailash Dubal argued that the car parking space in front of his office had been reserved for parking for the owner's car was owned by Kailash Dubal. The Complainant had asked Kailash Dubal to remove the car to which Kailash Dubal informed the

Complainant that the car was parked on the private property of Kailash Dubal. Kailash Dubal, argues that it was then, the Complainant in order to tarnish the image of Kailash Dubal created a big scene and called the media. Kailash Dubal had applied for anticipatory bail under Section 438 of the Criminal Procedure Code, 1973. The Court ordered the release of Kailash Dubal on a personal bond of Rs.50,000/-(Rupees Fifty Thousand Only) and subject to the following conditions:

- i. Kailash Dubal shall not tamper or terrorise the prosecution witness in any manner;
- ii. Kailash Dubal shall co-operate with the respondent/police for the purpose of the further investigation in the case;
- iii. Kailash Dubal shall appear before the committal court or trial court as and when directed to do so;
- iv. Kailash Dubal shall not leave the jurisdiction of Bangalore city till further order; and
- v. Kailash Dubal shall produce their recent residential address proofs issued by a competent authority.

The case is still pending before the Hon'able Additional City Civil and Sessions Judge, Bangalore City.

8. Litigation/Defaults In Respect Of Companies/Firms/Ventures With Which Our Promoter Was Associated In The Past

There are no defaults in respect of Companies/Firms/Ventures with which our promoters have been associated in the past.

9. Adverse Findings Against Any Persons/Entities Connected With Our Promoter As Regards Non Compliance With Securities Laws

There are no adverse findings involving any persons or entities connected with our Promoter with regard to non compliance with securities law.

10. Civil proceedings initiated against our Promoter

There are no civil proceedings initiated against our Promoter outstanding as on the date of this Prospectus.

11. Litigation against our Promoter for violation of statutory regulations

There are no pending litigation proceedings initiated against our Promoter for violation of statutory regulations as on the date of this Prospectus.

IV. Litigation involving Group Entities

1. Outstanding Litigation Against Our Group Entities

There are no pending litigation proceedings, including disputed outstanding litigation and material developments or proceeding filed by our Group Entities.

2. Outstanding Litigation Filed By Our Group Entities

There are no pending litigation proceedings, including disputed outstanding litigation and material developments or proceeding filed by our Group Entities.

3. Past Penalties Imposed On Our Group Entities

There are no past penalties imposed on our Group Entities.

4. Proceedings Initiated Against Our Group Entities For Economic Offences

No proceedings have been initiated against our Group Entities for any economic offence.

5. Adverse Findings Against Any Persons Or Entities Connected With Our Group Entities As Regards Non Compliance With Securities Laws

There are no adverse findings involving any persons or entities connected with our Group Entities with regard to non compliance with securities law.

6. Proceedings Initiated Against Our Group Entities Involving Labour Disputes Or Closure

There are no pending litigation proceedings against our Group Entities with respect to labour disputes or closures as on the date of this Prospectus.

7. Proceedings Against Our Group Entities With Respect To Default Or Overdues

There are no pending litigation proceedings against our Group Entities with respect to default or overdues as on the date of this Prospectus.

AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS

As on March 31, 2015 Company does not owe a sum exceeding Rs. 1 lakh to any small scale undertaking and details of other creditors which is outstanding for more than 30 days, except the following:

(Rs. In Lakhs)

| Particulars | Amount | Particulars | Amount |
|--------------------------------------|--------|-----------------------------------|-----------------|
| ABP Realtors | 15.05 | MG Associates | 4.00 |
| Anagha & Associates | 3.18 | Rana Sugar Ltd | 790.00 |
| Arunachalam Property | 93.00 | S B Enterprises Greens | 0.65 |
| Audit Fees Payable | 0.36 | SDS & Co | 0.02 |
| B Girish, Engineer & Contractor | 4.53 | Shankeshwara Electricals - WM | 2.92 |
| C Girish | 5.50 | Shree Nirman | 18.01 |
| Calyx Landscapes & Fountains Pvt Ltd | 5.63 | Shree Vidhuth - SKC Greens | 5.79 |
| Chandrashekar K | 0.91 | Shree Vidhyuth | 4.96 |
| Chandrashekar V | 1.30 | Skanda Survey | 0.30 |
| Chandrashekar V | 1.20 | Sri Triveni Enterprises - Rainbow | 21.56 |
| City Group | 0.75 | Sri Triveni Entrprises - Greens | 8.29 |
| Dhariwal & Sreenivas | 27.00 | Sukruthi Enterprises | 1.76 |
| Dhariwal & Sreenivas O/P Exps | 3.04 | Sunil D Surana Fees | 2.05 |
| Directros/Employees_Salary | 55.72 | Surekha Advertisers | 3.94 |
| DNS Law House | 0.17 | Vaishali J Dubal | 10.37 |
| Geo Metage Consultants | 0.82 | Vanajakshi L | 3.00 |
| Gokulshree Printers | 0.41 | Veena Nagaraj | 10.13 |
| Gururaj P | 0.14 | Vivid Kreations | 0.90 |
| Jugaraj Purohit / Shivakumar M C | 198.25 | | |
| Lesotek | 0.62 | Grand Total | 1,306.23 |

GOVERNMENT AND OTHER STAUTORY APPROVALS

In view of the licenses / permissions / approvals / no-objections / certifications / registrations, (collectively 'Authorisations') listed below, our Company can undertake this Issue and our current business activities and to the best of our knowledge, no further approvals from any governmental or regulatory authority or any other entity are required to undertake this Issue or continue our business activities. Unless otherwise stated, these approvals are all valid as of the date of this Prospectus.

It must be distinctly understood that, in granting these approvals, the Government of India, the RBI or any other authority does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. For further details in connection with the regulatory and legal framework within which we operate, please refer to the chapter titled "Key Industry Regulations and Policies" on page 131 of this Prospectus.

Approvals for the Issue

Corporate Approvals

Our Board has, pursuant to a resolution passed at its meeting held on June 22, 2015 authorized the Issue.

Our shareholders have pursuant to a resolution passed at their meeting dated June 22, 2015 under Section 62 of the Companies Act, 2013 authorized the Issue.

Approvals from the Stock Exchange

We have received in-principle approval from the Stock Exchange for the listing of our Equity Shares pursuant to letter DCS/IPO/NP/IP/520/2015-16 dated August 4, 2015.

Incorporation Details

1. Certificate of Incorporation dated 05 December 2005, issued by Registrar of Companies, Bangalore in the name of **"Sri Krishna Constructions (India) Private Limited"**.
2. Certificate of Incorporation dated June 29, 2015, was issued by the Registrar of Companies, Bangalore to record the conversion of **Sri Krishna Constructions (India) Private Limited** to **"Sri Krishna Constructions (India) Limited"**.
3. The Corporate Identity Number (CIN) of the Company is **U45201KA2005PLC037848**.
4. The Company has entered into an agreement dated July 1, 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 July 6, 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 ISIN Number of the Company is **INE094T01015**.

Taxation Related Approvals/ Licenses/ Registrations

The Company has obtained the following approvals from various tax authorities as set out below:

| Sl. No | Description | Authority | Registration Number | Date of Issue/ Application | Date of Expiry/ Status |
|--------|---|---|---------------------|----------------------------|------------------------|
| 1. | Permanent Account Number (PAN) | The Income Tax Department, Government of India. | AAECM7027J | December 05, 2005 | NA |
| 2. | Tax Deduction and Collection Account Number (TAN) | The Income Tax Department, Government of India. | BLRS23576A | August 26, 2006 | NA |
| 3. | Certificate of Registration for Service Tax under Section 69 of the Finance Act, 1994 | Superintendent of Service Tax, Service Tax Commissionerate, Bangalore | AAECM7027JST001 | August 11, 2006 | Until Cancelled |
| 4. | Registration under Karnataka Value Added Tax Act, 2003 | Assistant Commissioner of Commercial Taxes, Local Vat Office, Bengaluru | 29460706792 | September 01, 2006 | Until Cancelled |
| 5. | Registration under the Central Sales Tax Act, 1956 | Assistant Commissioner of Commercial Taxes, Local Vat Office, Bengaluru | 29460706792 | June 12, 2014 | Until Cancelled |
| 6. | Professional Tax Enrolment Certificate (PTEC) | Professional Tax Officer, IV Circle, Bangalore | EC P04P 5126 | July 07, 2006 | Until Cancelled |
| 7. | Professional Tax Registration Certificate (PTRC) | Professional Tax Officer, 1 st Circle, Bangalore | 388388443 | July 06, 2006 | Until Cancelled |

Labour Related Approvals/ License/Registrations

| Sl. No | Description | Authority | Registration Number | Date of Issue/ Application | Date of Expiry/ Status |
|--------|---|---|---------------------|----------------------------|------------------------|
| 1. | Registration under the Karnataka Shops and Establishments Act, 1948** | Department of Labour, Government of Karnataka | 7/94/CE/1572 /2010 | November 04, 2010 | 31 December 2018 |

| Sl. No | Description | Authority | Registration Number | Date of Issue/ Application | Date of Expiry/ Status |
|--------|--|---|---------------------|-------------------------------|------------------------------|
| 2. | Registration under the Employee State Insurance Act, 1948 | Deputy Director, Employee State Insurance Corporation, Karnataka | 53000331860001009 | December 20, 2012 | Until Cancelled |
| 3. | Registration under the Employee Provident Funds and Miscellaneous Provisions Act, 1952 | Employees' Provident Fund Organisation, Regional Office Bangalore | BGBNG1329003 | June 18, 2015 | Until Cancelled |

****** *The certificate has been renewed on January 28, 2014 and is valid for till December 31, 2018.*

Project Approvals:

| Sl. No | Description | Authority | Registration Number | Date of Issue/ Application | Date of Expiry/ Status |
|--------|----------------------------|--|-------------------------------|-------------------------------|------------------------------|
| 1. | Tulip at SKC White Meadows | Assistant Director of Town Planning, Rajeshwarinagar Range, Bruhat Bangalore Mahanagara Palike | L.P No. Ad.Com/RJH/1433/13-14 | January 27, 2014 | January 26, 2016 |



OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

The Issue has been authorized by a resolution passed by our Board of Directors at its meeting held on June 22, 2015 and by the shareholders of our Company by a special resolution, pursuant to Section 62(1)(c) of the Companies Act, 2013 passed at the Extra-Ordinary General Meeting of our Company held on June 22, 2015 at registered office of the Company.

PROHIBITION BY SEBI, RBI OR OTHER GOVERNMENTAL AUTHORITIES

None of our Company, our Directors, our Promoters, relatives of Promoters, our Promoter Group, and our Group Entities has been declared as wilful defaulter(s) by the RBI or any other governmental authority. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

We confirm that our Company, Promoters, Promoter Group, Directors or Group Entities have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other government authority. Neither our Promoters, nor any of our Directors or persons in control of our Company were or are 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 or any other governmental authorities.

None of our Directors is associated with the securities market in any manner, including securities market related business.

ELIGIBILITY FOR THIS ISSUE

Our Company is eligible for the Issue in accordance with regulation 106M(1) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital does not exceed Rs. 1,000 lakhs. Our Company also complies with the eligibility conditions laid by the SME Platform of BSE for listing of our Equity Shares.

We confirm that:

1. In accordance with regulation 106(P) of the SEBI (ICDR) Regulations, this Issue will be hundred percent underwritten and that the LM will underwrite at least 15% of the total issue size. For further details pertaining to underwriting please refer to chapter titled "*General Information*" beginning on page 62 of this Prospectus.
2. In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our company becomes liable to repay it, then our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013
3. In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have not filed any Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our LM submits the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.

4. In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the LM will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Issue. For further details of the market making arrangement see chapter titled “General Information” beginning on page 62 of this Prospectus.
5. The Company has Net Tangible assets of at least Rs. 3 crore as per the latest audited financial results.
6. The Net worth (excluding revaluation reserves) of the Company is at least Rs. 3 crore as per the latest audited financial results.
7. The Company has track record of distributable profits in terms of section 123 of Companies Act for at least two years out of immediately preceding three financial years and each financial year has a period of at least 12 months or has networth of Rs. 5 crore
8. The distributable Profit, Net tangible Assets and Net worth of the Company as per the restated financial statements for the year ended March 31, 2015, 2014 and 2013 is as set forth below:-

(Rs. In lakhs)

| Particulars | March 31, 2015 | March 31, 2014 | March 31, 2013 |
|------------------------|----------------|----------------|----------------|
| Distributable Profits* | 269.79 | 115.83 | 108.41 |
| Net Tangible Assets** | 837.33 | 573.80 | 458.05 |
| Net Worth*** | 845.62 | 575.83 | 460.00 |

* “Distributable profits” have been computed in terms section 123 of the Companies Act, 2013.

** ‘Net tangible assets’ are defined as the sum of all net assets (i.e. non current assets, current assets less current liabilities) of our Company, excluding intangible assets as defined in Accounting Standard 26 (AS 26) issued by the Institute of Chartered Accountants of India

*** “Net Worth” has been defined as the aggregate of the paid up share capital, share application money (excluding the portion included in other current liabilities) and reserves and surplus excluding miscellaneous expenditure, if any

9. The Post-issue paid up capital of the Company shall be at least Rs. 3 Crore. The Post-issue paid up capital of the Company will be Rs. 9.52 Crore.
10. The Company shall mandatorily facilitate trading in demat securities and has already entered into an agreement with both the depositories.
11. The Company has not been referred to Board for Industrial and Financial Reconstruction.
12. No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company
13. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
14. There has been no change in the promoter(s) of the Company in the one year preceding the date of filing application to BSE for listing on SME segment.
15. The Company has a website www.skcipl.in



We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter X-B of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) 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.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE OFFER DOCUMENT TO SECURITIES AND EXCHANGE BOARD OF INDIA 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 THIS ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE 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 THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS PROSPECTUS, THE LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, HAS FURNISHED TO STOCK EXCHANGE/SEBI A DUE DILIGENCE CERTIFICATE IN ACCORDANCE WITH THE SEBI (MERCHANT BANKERS) REGULATIONS, 1992.

"WE, THE UNDER NOTED LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE STATE AS FOLLOWS:

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE PROSPECTUS PERTAINING TO THE SAID ISSUE;**
- 2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**
 - A. THE PROSPECTUS FILED WITH THE EXCHANGE/BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
 - B. ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY**

COMPLIED WITH; AND

- C. THE DISCLOSURES MADE IN THE PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, 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 PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.
4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.
5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE PROSPECTUS.
6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE PROSPECTUS.
7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – NOT APPLICABLE
8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. – COMPLIED TO THE EXTENT APPLICABLE
9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED



FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION – NOTED FOR COMPLIANCE

10.WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE.- NOT APPLICABLE

11.WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.

12.WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE PROSPECTUS:

A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND

B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.

13.WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE. – NOTED FOR COMPLIANCE

14.WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE THAT 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 PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY. (CHECKLIST ENCLOSED)

16.WE ENCLOSE STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS AS PER FORMAT SPECIFIED BY THE BOARD (SEBI) THROUGH CIRCULAR – DETAILS ARE ENCLOSED IN “ANNEXURE A”

17.WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTION HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS.” *COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD 18 IN THE FINANCIAL STATEMENTS OF THE COMPANY INCLUDED IN THE PROSPECTUS*

ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE

(1) “WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.

(2) WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN

MADE IN PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.

- (3) WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009. – NOTED FOR COMPLIANCE
- (4) WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER.
- (5) WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISIO TO SUB-REGULATION 4 OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE PROSPECTUS.
- (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.

Note:

The filing of this Prospectus does not, however, absolve our Company from any liabilities under section 34 and 36 of the Companies Act, 2013 or from the requirement of obtaining such statutory and 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 Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Karnataka in terms of Section 26, 30 and 32 of the Companies Act, 2013.

DISCLAIMER STATEMENT FROM OUR COMPANY AND THE LEAD MANAGER

Our Company, our 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 our Company and anyone placing reliance on any other source of information, including our website www.skcipl.in , 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 Agreement for Issue Management entered into among the Lead Manager and our Company dated July 02, 2015, the Underwriting Agreement dated July 02, 2015 entered into among the Underwriter and our Company and the Market Making Agreement dated July 02, 2015 entered into among the Market Maker, Lead Manager and our Company.

Our Company and the Lead Manager shall make all information available 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 centres, etc.

The Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our Company and associates of our Company in the ordinary course of business and may in future engage in the provision of services for which they may in future receive compensation. Pantomath Capital Advisors Private Limited is not an 'associate' of the Company and is eligible to Lead Manager this Issue, under the SEBI (Merchant Bankers) Regulations, 1992.

Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter 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 and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares. Our Company 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.

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 M/s Pantomath Capital Advisors Private Limited, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please refer "Annexure A" to this Prospectus and the website of the Lead Manager at www.pantomathgroup.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 authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakhs, pension funds with minimum corpus of Rs. 2,500 Lakhs and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Karnataka, Bangalore only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Prospectus has been filed with BSE for its observations and BSE shall give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Prospectus may not

be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, 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 Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws, legislations and Prospectus in each jurisdiction, including India.

DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSE

BSE Limited ("BSE") has given vide its letter dated August 4, 2015 permission to this Company to use its name in this offer document as one of the stock exchanges on which this company's securities are proposed to be listed on the SME Platform. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. BSE does not in any manner:-

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this Company's securities will be listed or will continue to be listed on BSE; or take any responsibility for the financial or other soundness of this Company, its Promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by BSE. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

FILING

This Prospectus has not been filed with SEBI, nor will SEBI issue any observation on the Offer Document in term of Regulation 106(M)(3) of SEBI (ICDR) Regulations. However, a copy of the Prospectus shall be filed with Southern Regional Office of SEBI at The Regional Manager, SEBI, Overseas Towers, 7th Floor, 756-L, Anna Salai, Chennai: 600002. A copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 will be delivered for registration at the Office of the Registrar of Companies, "E" wing, 2nd Floor, Kendriya Sadana, Koramangala, Bangalore – 560034, Karnataka Website: www.mca.gov.in.



LISTING

In terms of Chapter XB of the SEBI (ICDR) Regulations, there is no requirement of obtaining in-principle approval from SME Platform of BSE. However 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 will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The SME Platform of BSE has given its in-principal approval for using its name in our Prospectus vide its letter dated August 4, 2015.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the SME Platform of BSE, our Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of the Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15% per annum on application money, 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 twelve Working Days from the Issue Closing Date

CONSENTS

Consents in writing of: (a) the Directors, the Promoters, the Company Secretary & Compliance Officer, Chief Financial Officer, the Statutory Auditors, the Peer Reviewed Auditors, the Banker to the Company; and (b) Lead manager, Underwriters, Market Makers Registrar to the Issue, Escrow Collection Bank, Banker(s) to the Issue, Legal Advisor to the Issue to act in their respective capacities have been obtained and is filed along with a copy of the Prospectus with the RoC, as required under sections 32 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of this Prospectus for registration with the RoC. Our Peer Reviewed Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Prospectus for filing with the RoC.

EXPERT TO THE ISSUE

Except as stated below, our Company has not obtained any expert opinions:

- Report of the Peer Reviewed Auditor on Statement of Tax Benefits.

EXPENSES OF THE ISSUE

The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. For details of total expenses of the Issue, refer to chapter "*Objects of the Issue*" beginning on page 89 of this Prospectus.

DETAILS OF FEES PAYABLE

Fees Payable to the Lead Manager

The total fees payable to the Lead Manager will be as per the Mandate Letter dated April 03, 2015 between our Company and the Lead Manager, the copy of which is available for inspection at our Registered Office.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue will be as per the Agreement signed by our Company and the Registrar to the Issue dated June 30, 2015 a copy of which is available for inspection at our Corporate Office. The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided by the Company to the Registrar to the Issue to enable them to send refund orders or allotment advice by registered post/ speed post/ under certificate of posting.

Fees Payable to Others

The total fees payable to the Legal Advisor, Auditor and Advertiser, etc. will be as per the terms of their respective engagement letters if any.

UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

The underwriting commission and selling commission for this Issue is as set out in the Underwriting Agreement entered into between our Company and the Lead Manager. Payment of underwriting commission, brokerage and selling commission would be in accordance with Section 40 of Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rule, 2013.

PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE THE INCORPORATION

We have not made any previous rights and/or public issues since incorporation, and are an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations.

PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH

Except as stated in the chapter titled “*Capital Structure*” beginning on page 71 of this Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

COMMISSION OR BROKERAGE ON PREVIOUS ISSUES

Since this is the initial public offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares since our inception.

PARTICULARS IN REGARD TO OUR COMPANY AND OTHER LISTED COMPANIES UNDER THE SAME MANAGEMENT WITHIN THE MEANING OF SECTION 370 (1B) OF THE COMPANIES ACT, 1956 WHICH MADE ANY CAPITAL ISSUE DURING THE LAST THREE YEARS:

None of the equity shares of our Group Entities are listed on any recognized stock exchange. None of the above companies have raised any capital during the past 3 years.

PROMISE VERSUS PERFORMANCE FOR OUR COMPANY

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Therefore, data regarding promise versus performance is not applicable to us.



OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY

As on the date of this Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

STOCK MARKET DATA FOR OUR EQUITY SHARES

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Thus there is no stock market data available for the Equity Shares of our Company.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Agreement between the Registrar and Our Company provides for retention of records with the Registrar for a period of at least three year 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 this Issue for redressal of their grievances. All grievances relating to this Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company or the Registrar to the Issue or the SCSB in case of ASBA Applicant shall redress routine investor grievances within 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.

We have constituted the Stakeholders Relationship Committee of the Board *vide* resolution passed at the Board Meeting held on June 22, 2015. For further details, please refer to the chapter titled “Our Management” beginning on page 145 of this Prospectus.

Our Company has appointed Barun Pandey as Compliance Officer and he may be contacted at the following address:

Barun Pandey

Sri Krishna Constructions (India) Limited

No.1, 4th Main Road,

Nehru Circle Sheshadripuram,

Bangalore – 560020, Karnataka, India

Tel: 080 23318189

Fax: 080 23318189

Email: cs@skcipl.in

Website: www.skcipl.in

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or refund orders, *etc.*

CHANGES IN AUDITORS DURING THE LAST THREE FINANCIAL YEARS

Following Changes in Auditors have been done in last three financial years

M/s Suthar & Co. were appointed as auditors in place of M/s T Narasappa & Co. Chartered Accountants with effect from September 17, 2012.

CAPITALISATION OF RESERVES OR PROFITS

Save and except as stated in the chapter titled "*Capital Structure*" beginning on page 71 of this Prospectus, our Company has not capitalized its reserves or profits during the last five years.

REVALUATION OF ASSETS

Our Company has not revalue its assets since incorporation.

PURCHASE OF PROPERTY

Other than as disclosed in this Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Prospectus.

Except as stated elsewhere in this Prospectus, our Company has not purchased any property in which the Promoters and/or Directors have any direct or indirect interest in any payment made there under.

SERVICING BEHAVIOR

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.



SECTION VII – ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued and transferred are subject to the provisions of the Companies Act, 2013, SEBI ICDR Regulations, our Memorandum and Articles of Association, the SME Equity Listing Agreements, the terms of the Prospectus, the Prospectus, Application Form, ASBA 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 the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock 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 CIR/CFD/DIL/1/ 2011 dated April 29, 2011, QIB applicants, Non- Institutional applicants and other Applicants whose Application amount exceeds Rs. 2 lakhs can participate in the Issue only through the ASBA process. The Retail Individual Applicants can participate in the Issue either through the ASBA process or the non ASBA process. ASBA Applicants should note that the ASBA process involves Application procedures that may be different from the procedure applicable to non ASBA process.

RANKING OF EQUITY SHARES

The Equity Shares being issued in the Issue shall be subject to the provisions of the Companies Act, 2013 and the Memorandum and Articles of Association and shall rank *pari-passu* with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees in receipt of Allotment of Equity Shares under this Issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment in accordance with Companies Act, 1956 and Companies Act, 2013 and the Articles. For further details, please refer to the section titled “Main Provisions of Articles of Association” beginning on page number 294 of this 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 at their discretion and approved by the shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividend, if declared, to our Shareholders as per the provisions of the Companies Act and our Articles of Association. For further details, please refer to the chapter titled “Dividend Policy” on page 170 of this Prospectus.

FACE VALUE AND ISSUE PRICE PER SHARE

The face value of the Equity Shares is Rs. 10 each and the Issue Price is Rs. **45** 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 95 of this 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 & 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 Act, the terms of the SME Listing Agreement with the Stock Exchange 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 294 of this 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 3000 Equity Shares and the same may be modified by BSE 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 3000 Equity Share subject to a minimum allotment of 3000 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 3000 Equity Share subject to a minimum allotment of 3000 Equity Shares to the successful applicants.

MINIMUM NUMBER OF ALLOTTEES

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies collected shall be refunded within 12 days of closure of issue.

JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Mumbai, Maharashtra, India.



The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

JOINT HOLDER

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint – tenants with benefits of survivorship.

NOMINATION FACILITY TO INVESTOR

In accordance with Section 72 of the Companies Act, 2013 the sole applicant, or the 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 Applicant, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions 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 in the Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change 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

Thursday, September 10, 2015
Tuesday, September 15, 2015

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 been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the offer through the Offer Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith 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 and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies collected shall be refunded within 12 days of closure of issue.

Further, in accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than Rs.1,00,000/- (Rupees One Lakh) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

MIGRATION TO MAIN BOARD

Our company may migrate to the Main Board of BSE from the SME Stock Exchange on a later date subject to the following:

- a. **If the Paid up Capital of our Company is likely to increase above Rs. 2,500 lakhs by virtue of any further issue of capital by way of rights issue, 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), our Company shall apply to BSE for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.**

OR



- b. **If the Paid up Capital of our company is more than Rs. 1,000 lakhs but below Rs. 2,500 lakhs, our Company may still apply for migration to the Main Board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.**

MARKET MAKING

The shares offered through this Issue are proposed to be listed on the SME Platform of BSE (SME Exchange) with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing of shares offered through the Prospectus. For further details of the market making arrangement please refer to chapter titled “General Information” beginning on page 62 of this Prospectus.

ARRANGEMENT FOR DISPOSAL OF ODD LOT

The trading of the equity shares will happen in the minimum contract size of 3000 shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Platform of BSE.

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.

OPTION TO RECEIVE SECURITIES IN DEMATERIALIZED FORM

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

NEW FINANCIAL INSTRUMENTS

The Issuer Company is not issuing any new financial instruments through this Issue.

APPLICATION BY ELIGIBLE NRIs, FPI'S REGISTERED WITH SEBI, VCF'S, AIF'S REGISTERED WITH SEBI AND QFI'S

It is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

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 71 of this 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 294 of this Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106(M)(1) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer, whose post issue face value capital does not exceed ten crore rupees, shall issue specified securities 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 232 and 241 of this Prospectus.

Following is the issue structure:

Public Issue of 25,20,000 Equity Shares of face value of Rs. 10/- each fully paid (the 'Equity Shares') for cash at a price of Rs. 45/- per Equity Share (including a premium of Rs. 35/- per Equity Share) aggregating Rs. 1134.00 Lacs ('the Issue') by our Company.

The Issue comprises a Net Issue to Public of 23,88,000 Equity Shares ('the Net Issue'), a reservation of 1,32,000 Equity Shares for subscription by the designated Market Maker ('the Market Maker Reservation Portion')

| Particulars | Net Issue to Public* | Market Maker Reservation Portion |
|---|--|--|
| Number of Equity Shares | 25,20,000 Equity Shares | 1,32,000 Equity Shares |
| Percentage of Issue Size available for allocation | 94.76% of Net Issue Size 25.08% of Post Issue Paid Up Capital | 5.24% of Issue Size 1.39% of the Post Issue Paid up Capital |
| Basis of Allotment/Allocation if respective category is oversubscribed | Proportionate subject to minimum allotment of 3000 Equity Shares and Further allotment in multiples of 3,000 Equity Shares each. For further details please refer to the section titled " <i>Basis of Issue Price</i> " under the chapter " <i>Issue Procedure</i> " on page 241 of the Prospectus. | Firm allotment |
| Mode of Application | For QIB and NII Applicants The application must be made compulsorily through the ASBA Process. For Retail Individuals Applicants May apply through the ASBA or the Physical Form. | Through ASBA Process Only |
| Minimum Application | For QIB and NII: Such number of Equity Shares in multiples of 3,000 Equity Shares such that the Application Value exceeds Rs. 2,00,000 For Retail Individuals: 3,000 Equity Shares | 1,32,000 Equity Shares |

| Particulars | Net Issue to Public* | Market Maker Reservation Portion |
|---------------------------------|--|--|
| Maximum Application Size | <p><u>For Other than Retail Individual Investors:</u> For all other investors the maximum application size is the Net Issue to public subject to limits the investor has to adhere under the relevant laws and regulations as applicable.</p> <p><u>For Retail Individuals:</u> Such number of Equity Shares in multiples of 3,000 Equity Shares such that the Application Value does not exceed Rs. 2,00,000.</p> | 1,32,000 Equity Shares of Face Value Rs. 10.00 |
| Mode of Allotment | Compulsorily in dematerialized mode. | Compulsorily in dematerialized mode. |
| Trading Lot | 3,000 Equity Shares | 3,000 Equity Shares, however the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations |
| Terms of payment | The entire Application Amount will be payable at the time of submission of the Application Form. | |

**50 % of the shares offered in the Net Issue to Public portion are reserved for applications whose value is below Rs. 2,00,000 and the balance 50 % of the shares are reserved for applications whose value is above Rs. 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. However, 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 Exchange 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.

ISSUE PROGRAMME

ISSUE OPENS ON
ISSUE CLOSES ON

Thursday, September 10, 2015
Tuesday, September 15, 2015



Applications and any revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue Closing Date applications 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 Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (the “General Information Document”) included below under section “- **Part B – General Information Document**”, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 1956, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Regulations. The General Information Document has been updated to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 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 the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and the Lead Manager would not be liable for any amendment, modification or change in applicable law, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Prospectus and this Prospectus.

This section applies to all the Applicants, please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form.

FIXED PRICE ISSUE PROCEDURE

The Issue is being made under Regulation 106(M)(1) of Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 via Fixed Price Process.

Applicants are required to submit their Applications to the Selected Branches / Offices of the Escrow Bankers to the Issue who shall duly submit to the Registrar of the Issue. 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, our Company would have a right to reject the Applications only on technical grounds.

Investors should note that the Equity Shares will be allotted to all successful Applicants only in dematerialized form. Applicants will not have the option of being Allotted Equity Shares in physical form.

Further the Equity shares on allotment shall be trade only in the dematerialized segment of the Stock Exchange, as mandated by SEBI.

APPLICATION FORM

Pursuant to SEBI Circular dated September 27, 2011 and bearing No. CIR/CFD/DIL/4/2011, the Application Form has been standardized i.e., there will be a single Application Form for ASBA and non-ASBA Applicants. The prescribed colours of the Application Form for various investors applying in the Issue are as follows:

| Category | Colour of Application Form |
|---|----------------------------|
| Resident Indians and Eligible NRIs applying on a non-repatriation basis (ASBA and Non-ASBA) | White |
| Non-Residents and Eligible NRIs applying on a repatriation basis (ASBA and Non-ASBA) | Blue |

Applicants (other than ASBA Applicants) shall only use the specified Application Form for the purpose of making an application in terms of the Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number.

ASBA Applicants are required to submit their applications only through the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form.

No separate receipts shall be issued for the money payable on the submission of Application Form. However, the collection centre of the Bankers to the Issue or SCSB, as the case may be, will acknowledge the receipt of the Application Forms by stamping and returning to the Applicant the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Application Form for the records of the Applicant.

ASBA Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

Upon completion and submission of the Application Form to a Banker to the Issue or the SCSB, the Applicants 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.

In accordance with the SEBI (ICDR) Regulations, 2009 in public issues w.e.f. May 1, 2010 all the investors can apply through ASBA process and w.e.f May 02, 2011, the Non-Institutional applicants and the QIB Applicants have to compulsorily apply through the ASBA Process.

1. Availability of Prospectus and Application Forms

2. The Application Forms and copies of the Prospectus may be obtained from the Corporate Office of our Company, Lead Manager to the Issue, Registrar to the Issue and the collection centre of the Bankers 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?

In addition to the category of Applicants set forth under “– **General Information Document for Investing in Public Issues – Category of Investors Eligible to participate in an Issue**”, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs and sub-accounts registered with SEBI other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporates or foreign individuals only under the Non Institutional Investors (NIIs) category;
- Scientific and/or industrial research organisations authorised in India to invest in the Equity Shares.

OPTION TO SUBSCRIBE IN THE ISSUE

- As per Section 29(1) of the Companies Act, 2013 allotment of Equity Shares shall be in dematerialised form only.**
- The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.**
- 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 and applicable law.**

PARTICIPATION BY ASSOCIATED/ AFFILIATES OF LEAD MANAGER AND SYNDICATE MEMBERS

The Lead Manager and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Manager and the Syndicate Members, if any, may purchase the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRI'S 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, partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public. Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE/FCNR accounts as well as NRO accounts.

APPLICATIONS BY ELIGIBLE NRI'S/RFPI's ON REPATRIATION BASIS

Application Forms have been made available for eligible NRIs at our Registered Office and at the Corporate Office of the Lead manager. Eligible NRI Applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under the reserved category. The eligible NRIs who intend to make payment through Non Resident Ordinary (NRO) accounts shall use the Forms meant for Resident Indians and should not use the forms meant for the reserved category. Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the

declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares for allotment to NRIs on repatriation basis. Allotment of equity shares to Non Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in equity shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian tax laws and regulations and any other applicable laws.

As per the current regulations, the following restrictions are applicable for investments by FPIs:

1. A foreign portfolio investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized stock exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where 'infrastructure' is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-convertible debentures or bonds issued by Non-Banking Financial Companies categorized as 'Infrastructure Finance Companies'(IFCs) by the Reserve Bank of India; (l) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.
2. Where a foreign institutional investor or a sub account, prior to commencement of these regulations, holds equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after initial public offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment for the time being in force.
3. In respect of investments in the secondary market, the following additional conditions shall apply:
 - a) A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;
 - b) Nothing contained in clause (a) shall apply to:
 - i. Any transactions in derivatives on a recognized stock exchange;
 - ii. Short selling transactions in accordance with the framework specified by the Board;
 - iii. Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - iv. Any other transaction specified by the Board.
 - c) No transaction on the stock exchange shall be carried forward;

d) The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the Board; provided nothing contained in this clause shall apply to:

- i. transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;
- ii. sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- iii. sale of securities in response to an offer made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009;
- iv. Sale of securities, in accordance with the Securities and Exchange Board of India (Buy-back of securities) Regulations, 1998;
- v. divestment of securities in response to an offer by Indian Companies in accordance with Operative Guidelines for Disinvestment of Shares by Indian Companies in the overseas market through issue of American Depositary Receipts or Global Depositary Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;
- vi. Any bid for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;
- vii. Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- viii. Any other transaction specified by the Board.

e) A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form:

Provided that any shares held in non-dematerialized form, before the commencement of these regulations, can be held in non-dematerialized form, if such shares cannot be dematerialized.

Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Depositories Act, 1996.

4. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.
5. The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.
6. In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be



distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.

7. A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.

No foreign portfolio investor may issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:

- (a) Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority;
- (b) Such offshore derivative instruments are issued after compliance with 'know your client' norms:

Provided that those unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal in offshore derivatives instruments directly or indirectly:

Provided further that no Category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.

A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.

Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.

Any offshore derivative instruments issued under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be deemed to have been issued under the corresponding provisions of SEBI (Foreign Portfolio Investors) Regulations, 2014.

The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10% of the total issued capital of the company.

An FII or its subaccount which holds a valid certificate of registration shall, subject to payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as an foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

A qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provisions of the SEBI (Foreign Portfolio Investors) Regulations, 2014, for a period of one year from the date of commencement of the aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

APPLICATIONS BY MUTUAL FUNDS

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

The 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.

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 this, our Company reserves the right to reject any Application without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

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, our Company reserves the right to reject any Application without assigning any reasons thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000 (the 'IRDA Investment Regulations'), are broadly set forth below:

1. *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;
The entire group of the investee company: the least of 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or reinsurer (25% in case of Unit Linked Insurance Plans); and
2. *The industry sector in which the investee company operates:* 10% of the insurer's total investment exposure to the industry sector (25% in case of Unit Linked Insurance Plans).

APPLICATIONS UNDER POWER OF ATTORNEY

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 2500 Lacs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2500 Lacs, a certified copy of the power of attorney or the relevant resolution or



authority, as the case may be, along with a certified copy of the Memorandum of Association and Articles of Association and/ or bye laws must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

With respect to applications by VCFs, FVCIs, and FPIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may belong with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.

In case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with the 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 reason thereof.

In case of Applications made by insurance companies registered with the Insurance Regulatory and Development Authority, a certified copy of certificate of registration issued by Insurance Regulatory and Development Authority must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made pursuant to a power of attorney by FIIs, 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 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 reason thereof.

In case of Applications made by provident funds with minimum corpus of Rs. 25 crore (subject to applicable law) and pension funds with minimum corpus of Rs. 25 crore, a certified copy of certificate from a Chartered Accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

APPLICATIONS BY PROVIDENT FUNDS/PENSION FUNDS

In case of Applications made by provident funds with minimum corpus of Rs. 25 Crore (subject to applicable law) and pension funds with minimum corpus of Rs. 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The above information is given for the benefit of the Applicants. Our Company and Lead Manager 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 any single application from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.

INFORMATION FOR THE APPLICANTS

1. Our Company and the Lead Managers shall declare the Issue Opening Date and Issue Closing Date in the Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in one regional newspaper with wide circulation. This advertisement shall be in the prescribed format.
2. Our Company will file the Prospectus with the RoC at least three days before the Issue Opening Date.
3. Copies of the Application Form and copies of the Prospectus will be available with the Bankers to the Issue, the Lead Managers and the Registrar to the Issue. For ASBA Applicants, physical Application Forms will be available with the Designated Branches of the SCSBs and at the Corporate Office of our Company. For ASBA Applicants, electronic Application Forms will also be available on the websites of the Stock Exchange.
4. Any Applicant who would like to obtain the Prospectus and/or the Application Form can obtain the same from our Corporate Office.
5. Applicants who are interested in subscribing to the Equity Shares should approach any of the Lead Managers or Bankers to the Issue or their authorised agent(s) to register their applications. Applicants who wish to use the ASBA process should approach the Designated Branches of the SCSBs to register their applications.
6. Applications should be submitted in the prescribed Application Form only. Application Forms submitted to the Bankers to the Issue should bear the stamp of the Broker. Application Forms 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.
7. In case of ASBA Applicants, the Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained. SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account.
8. ASBA Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB, where the ASBA Account is maintained. For ASBA applications submitted directly to the SCSBs, the relevant SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding persons resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for



credit” and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.

10. The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange by the Bankers to the Issue or the SCSBs do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

METHOD AND PROCESS OF APPLICATIONS

The Bankers to the Issue and the SCSBs shall accept applications from the Applicants during the Issue Period.

The Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding 10 Working Days.

During the Issue Period, Applicants (other than QIBs) who are interested in subscribing to the Equity Shares should approach the Bankers to the Issue or their authorised agents to register their application. The Bankers to the Issue shall accept applications from all Applicants and they shall have the right to vet the applications during the Issue Period in accordance with the terms of the Prospectus. Applicants who wish to use the ASBA process should approach the Designated Branches of the SCSBs to register their applications.

The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to any Banker to the Issue or the SCSBs (in case of ASBA Applicants). Submission of a second Application Form to either the same or to another Banker to the Issue or the SCSB will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue.

The Bankers to the Issue / the SCSBs will enter each application option into the electronic collecting system as a separate application and generate a TRS and give the same to the Applicant.

Along with the Application Form, all Applicants (other than ASBA Applicants) will make payment in the manner described under “Payment into Escrow Account for Applicants other than ASBA Applicants” on page 252 of this Prospectus.

Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.

If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such applications and shall not upload such applications with the Stock Exchange.

If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Applicant on request.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted

Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal / failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

ESCROW MECHANISM, TERMS OF PAYMENT AND PAYMENT INTO THE ESCROW ACCOUNTS

Terms of Payment

The entire Issue price of Rs. 45/- per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, The Company shall refund the excess amount paid on Application to the Applicants.

Escrow Mechanism for Applicants other than ASBA Applicants

Our Company, Registrar to the Issue and the Escrow Collection Banks shall enter into an Escrow Agreement pursuant to which Escrow Account(s) with one or more Escrow Collection Bank(s) will be opened in whose favour the Applicants shall make out the cheque or demand draft in respect of his or her application. Cheques or demand drafts received for the full Application Amount from Applicants would be deposited in the Escrow Account. Please note that escrow mechanism is applicable only to Applicants applying by way of non ASBA process.

The Escrow Collection Banks will act in terms of the Prospectus and the Escrow Agreement. The Escrow Collection Bank (s) for and on behalf of the Applicants shall maintain the monies in the Escrow Account until the Designated Date. The Escrow Collection Bank(s) shall not exercise any lien whatsoever over the monies deposited therein and shall hold the monies therein in trust for the Applicants. On the Designated Date, the Escrow Collection Bank(s) shall transfer the funds represented by allocation of Equity Shares (other than ASBA funds with the SCSBs) from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Banker(s) to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Applicants shall also be made from the Refund Account as per the terms of the Escrow Agreement and this Prospectus.

The Applicants should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Escrow Collection Bank(s) and the Registrar to the Issue to facilitate collections from the Applicants.

Payment mechanism for ASBA Applicants

The ASBA Applicants shall specify the bank account number in the Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public



Issue Account, or until withdrawal/ failure of the Issue or until rejection of the application by the ASBA Applicant, as the case may be.

Please note that pursuant to the applicability of the directions issued by SEBI vide its circular bearing number CIR/CFD/DIL/1/2011 dated April 29, 2011, all Applicants who are Non Retail Applicants or are applying in this Issue for Equity Shares for an amount exceeding Rs. 2,00,000 shall mandatorily make use of ASBA facility.

Payment into Escrow Account for Applicants other than ASBA Applicants

Each Applicant shall draw a cheque or demand draft or remit the funds electronically through the RTGS mechanism for the amount payable on the application as per the following terms:

1. All Applicants would be required to pay the full Application Amount at the time of the submission of the Application Form.
2. The Applicants (excluding ASBA Applicants) shall, with the submission of the Application Form, draw a payment instrument for the Application Amount in favour of the Escrow Account and submit the same to the Bankers to the Issue. If the payment is not made favouring the Escrow Account along with the Application Form, the application of the Applicant shall be rejected.
3. The payment instruments for payment into the Escrow Account should be drawn in favour of:
 - a. In case of Resident Retail Applicants: "Sri Krishna Constructions (India) Limited - R"
 - b. In case of Non Resident Retail Applicants: "Sri Krishna Constructions (India) Limited - NR"
4. In case of applications by Eligible NRIs applying on repatriation basis, the payments must be made through Indian Rupee drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in NRE Accounts or FCNR Accounts, maintained with banks authorized to deal in foreign exchange in India, along with documentary evidence in support of the remittance. Payment will not be accepted out of an NRO Account of Non-Resident Applicant applying on a repatriation basis. Payment by drafts should be accompanied by bank certificate confirming that the draft has been issued by debiting to NRE Account or FCNR Account.
5. In case of applications by Eligible NRIs applying on non-repatriation basis, the payments must be made through Indian Rupee drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in NRE Accounts or FCNR Accounts, maintained with banks authorised to deal in foreign exchange in India, along with documentary evidence in support of the remittance or out of an NRO Account of a Non-Resident Applicant applying on a non-repatriation basis. Payment by drafts should be accompanied by a bank certificate confirming that the draft has been issued by debiting an NRE or FCNR or NRO Account.
6. In case of applications by FIIs/FVCIs/multilateral and bilateral financial institutions, the payment should be made out of funds held in a Special Rupee Account along with documentary evidence in support of the remittance. Payment by drafts should be accompanied by a bank certificate confirming that the draft has been issued by debiting the Special Rupee Account.
7. The monies deposited in the Escrow Account will be held for the benefit of the Applicants (other than the ASBA Applicants) till the Designated Date.

8. On the Designated Date, the Escrow Collection Bank shall transfer the funds from the Escrow Account as per the terms of the Escrow Agreement into the Public Issue Account with the Bankers to the Issue.
9. Payments should be made by cheque, or demand draft drawn on any Bank (including a Co-operative Bank), which is situated at and is a member of or sub-member of the bankers' clearing house located at the centre where the Application Form is submitted. Outstation cheques/bank drafts drawn on banks not participating in the clearing process will not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected. Cash/ stock invest/money orders/postal orders will not be accepted.
10. Payments made through cheques without the Magnetic Ink Character Recognition (MICR) code will be rejected.
11. Applicants are advised to provide the number of the Application Form on the reverse of the cheque or bank draft to avoid misuse of instruments submitted with the Application Form.
12. In terms of RBI circular no. DPSS.CO.CHD.No./133/04.07.05/2013-14 dated July 16, 2013, non-CTS cheques are processed in three CTS centres in separate clearing session. This separate clearing session will operate thrice a week up to April 30, 2014, thereafter twice a week up to October 31, 2014 and once a week from November 1, 2014 onwards. In order to enable listing and trading of Equity Shares within 12 Working Days of the Issue Closing Date, investors are advised to use CTS cheques or use the ASBA facility to make payment. Investors are cautioned that Application Forms accompanied by non-CTS cheques are liable to be rejected due to any delay in clearing beyond six Working Days from the Issue Closing Date.

ELECTRONIC REGISTRATION OF APPLICATIONS

1. The SCSBs will register the applications using the on-line facilities of the Stock Exchange.
2. The SCSBs will undertake modification of selected fields in the application details already uploaded within one Working Day from the Issue Closing Date.
3. The SCSBs shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by the Bankers to the Issue and the SCSBs, (ii) the applications uploaded by the SCSBs, (iii) the applications accepted but not uploaded by the SCSBs or (iv) with respect to applications by ASBA Applicants, applications accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for applications uploaded by the SCSBs, the Application Amount has been blocked in the relevant ASBA Account. With respect to applications by ASBA Applicants, the Designated Branch of the relevant SCSB, which receives the relevant schedule (along with Application Forms), will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Lead Managers nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by a Banker to the Issue or the SCSBs, (ii) the applications uploaded by the SCSBs or (iii) the applications accepted but not uploaded by the SCSBs.
5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will be available at the terminals of the SCSBs and their authorized agents during the Issue Period. The Designated Branches of the SCSBs can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently



upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Branches of SCSBs shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Manager on a regular basis.

6. With respect to applications by ASBA Applicants, at the time of registering such applications, the Designated Branches of the SCSBs shall enter the following information pertaining to the ASBA Applicants into the on-line system:
 - Name of the Applicant;
 - IPO Name;
 - Application Form number;
 - Investor Category;
 - PAN (of First Applicant, if more than one Applicant);
 - DP ID of the demat account of the Applicant;
 - Client Identification Number of the demat account of the Applicant;
 - Numbers of Equity Shares Applied for;
 - Cheque Details in case of Applications other than ASBA Application and Bank Account details in case of ASBA Applicants;
 - Location of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
 - Bank account number.
7. In case of submission of the Application by an ASBA Applicant through the Electronic Mode, the ASBA Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Application Form number which shall be system generated.
8. A system generated TRS will be given to the Applicant as a proof of the registration of the application. It is the Applicant's responsibility to obtain the TRS from the Designated Branches. The registration of the Application by the Designated Branches does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
9. Such TRS will be non-negotiable and by itself will not create any obligation of any kind.
10. In case of Non Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in the Prospectus. The SCSBs shall have no right to reject applications, except on technical grounds.
11. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or

completeness of any of the contents of this Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

12. The SCSBs will be given up to one day after the Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
13. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for ASBA applications.

ALLOCATION OF EQUITY SHARES

1. The Issue is being made through the Fixed Price Process wherein 1,32,000 Equity Shares shall be reserved for Market Maker. 23,88,000 Equity Shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on a proportionate basis to Non Retail Applicants.
2. Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Managers and the Stock Exchange.
3. Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
4. In terms of the SEBI Regulations, Non Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage.
5. Allotment status details shall be available on the website of the Registrar to the Issue.

SIGNING OF UNDERWRITING AGREEMENT AND FILING OF PROSPECTUS WITH ROC

- a) Our Company has entered into an Underwriting agreement dated July 02, 2015.
- b) A copy of the Prospectus will be filed with the RoC in terms of Section 26 of the Companies Act.

PRE- ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in: (i) English National Newspaper; (ii) Hindi National Newspaper; and (iii) Regional Newspaper, each with wide circulation.

ISSUANCE OF ALLOTMENT ADVICE

1. Upon approval of the Basis of Allotment by the Designated Stock Exchange.
2. The Lead Managers or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Issue.

The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the



Allotment to such Applicant.

GENERAL INSTRUCTIONS

Do's:

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about 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 are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.
- Ensure that you have funds equal to the Application Amount in your bank account maintained with the SCSB before submitting the Application Form to the respective Designated Branch of the SCSB;
- With respect to ASBA Applications ensure that the Application Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
- Ensure that you have requested for and receive a TRS;
- Non retail applicants should submit their applications through the 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 Banker to 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 in the Application Form such that the Equity Shares applied for exceeds the Issue Size and/ or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue

- Do not submit Applications on plain paper or incomplete or illegible Application Forms in a colour prescribed for another category of Applicant

Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended;

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. ASBA Application Forms should bear the stamp of the SCSB's. ASBA Application Forms, which do not bear the stamp of the SCSB, will be rejected.

Applicants residing at places where the designated branches of the Banker to the Issue are not located may submit/mail their applications at their sole risk along with Demand Draft payable at Mumbai.

SEBI, vide Circular No.CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application forms in public issues using the stock broker ('broker') network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. www.bseindia.com and NSE i.e. www.nseindia.com.

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 LMs or the Registrar 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.

Refund orders/allocation advice would be mailed at the address of the Applicant as per the Demographic Details received from the Depositories. Applicants may note that delivery of refund orders/ allocation advice may get delayed if the same once sent to the address obtained from the depositories are returned undelivered. In such an event, the address and other details given by



the Applicant (other than ASBA Applicants) in the Application Form would be used only to ensure dispatch of refund orders. Please note that any such delay shall be at the Applicant's sole risk and neither our Company nor the Escrow Collection Banks, the Registrar to the Issue or the Lead Managers shall be liable to compensate the Applicant for any losses caused to the Applicant due to any such delay or liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories, which matches the three parameters, namely, PAN of the sole/First Applicant (including the order of names of joint holders), the DP ID and the beneficiary's identity, then such applications are liable to be rejected.

SUBMISSION OF APPLICATION FORM

All Application Forms duly completed and accompanied by account payee cheques or drafts shall be submitted to the Bankers to the Issue at the time of submission of the application. With respect to the ASBA Applicants, the Application Form shall be submitted to the Designated Branches of the SCSBs.

No separate receipts shall be issued for the money payable on the submission of Application Form. However, the collection centre of the Bankers to the Issue will acknowledge the receipt of the Application Forms by stamping and returning to the Applicant the acknowledgement slip. This acknowledgement slip will serve as a duplicate of the Application Form for the records of the Applicant.

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 cheque or draft number and issuing bank thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, refund orders etc.

DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

The Company shall ensure the dispatch of Allotment advice, refund orders (except for Applicants who receive refunds through electronic transfer of funds) and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within two working days of date of Allotment of Equity Shares.

In case of Applicants who receive refunds through ECS, direct credit or RTGS, the refund instructions will be given to the clearing system within 15 days from the Issue Closing Date. A suitable communication shall be sent to the Applicants receiving refunds through this mode within 15 working days of Issue Closing Date, giving details of the Bank where refunds shall be credited along with amount and expected date of electronic credit of refund.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE where the Equity Shares are proposed to be listed are taken within 7 working days of Allotment.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. **Allotment of Equity Shares shall be made within 15 (Fifteen) days of the Issue Closing Date;**
2. **Dispatch of refund orders or in a case where the refund or portion thereof is made in electronic manner, the refund instructions are given to the clearing system within 15 (Fifteen) days of the Issue Closing Date would be ensured; and**
3. **The Company shall pay interest at 15% p.a. for any delay beyond the 15 (Fifteen) working days from the Issue Closing Date, if Allotment is not made and refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/ or demat credits are not made to investors within the 15 (Fifteen) days prescribed above.**
4. **The Company will provide adequate funds required for dispatch of refund orders or Allotment Advice to the Registrar to the Issue. Refunds will be made by cheques, pay-orders or demand drafts drawn on a bank appointed by our Company as a Refund Bank and payable at par at places where Applications are received. Bank charges, if any, for en-cashing such cheques, pay orders or demand drafts at other centres will be payable by the Applicants**

IMPERSONATION

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who—

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or**
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or**
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,**

shall be liable for action under Section 447.”

UNDERTAKINGS BY THE COMPANY

We undertake as follows:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at all the stock exchanges where the Equity Shares are proposed to be listed within seven Working Days of finalization of the Basis of Allotment or twelve (12) Working Days from the Issue Closing Date, whichever is earlier;
3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar to the Issue by us;



4. That where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 days of the Issue Closing Date, as the case may be, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
5. That our Promoters' contribution in full has already been brought in;
6. That the certificates of the securities/ refund orders to the non-resident Indians shall be dispatched within specified time;
7. That no further issue of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.; and
8. That, adequate arrangements shall be made to collect all Applications Supported by Blocked Amount and to consider them similar to non-ASBA applications while finalizing the Basis of Allotment.
9. That no further issue of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under subscription etc.

UTILIZATION OF THE ISSUE PROCEEDS

The Board of Directors of our Company certifies that:

1. all monies received out of the Issue shall be transferred to a separate Bank Account other than the bank account referred to in Sub-Section (3) of Section 40 of the Companies Act, 2013;
2. details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
3. details of all unutilized monies out of the Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and
4. Our Company shall comply with the requirements of Clause 52 of the SME Listing Agreement in relation to the disclosure and monitoring of the utilisation of the proceeds of the Issue.

Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received.

The Lead manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily. E

EQUITY SHARES IN DEMATERIALISED 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. Agreement dated July 6, 2015 among NSDL, the Company and the Registrar to the Issue;
- b. Agreement dated July 1, 2015 among CDSL, the Company and the Registrar to the Issue;

The Company's shares bear ISIN No. INE094T01015.

PART B

GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Bidders/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Prospectus/Prospectus before investing in the Issue.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken *inter-alia* through Fixed Price Issues. The purpose of the “General Information Document for Investing in Public Issues” is to provide general guidance to potential Applicants in IPOs, on the processes and procedures governing IPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“SEBI ICDR Regulations, 2009”)

Applicants should note that investment in equity and equity related securities involves risk and Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue; are set out in the Prospectus filed by the Issuer with the Registrar of Companies (“RoC”). Applicants should carefully read the entire Prospectus and the Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the Prospectus, the disclosures in the Prospectus shall prevail. The Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the LM(s) to the Issue and on the website of Securities and Exchange Board of India (“SEBI”) at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Applicants may refer to the section “Glossary and Abbreviations”.

SECTION 2: BRIEF INTRODUCTION TO IPOs ON SME EXCHANGE

2.1 INITIAL PUBLIC OFFER (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009, if applicable. For details of compliance with the eligibility requirements by the Issuer, Applicants may refer to the Prospectus.

The Issuer may also undertake IPO under of chapter XB of the SEBI (ICDR) Regulations, wherein as per,

- Regulation 106M (1): An issuer whose post-issue face value capital does not exceed ten crore rupees shall issue its specified securities in accordance with provisions of this Chapter.
- Regulation 106M (2): An issuer, whose post issue face value capital, is more than ten crore rupees and upto twenty five crore rupees, may also issue specified securities in accordance with provisions of this Chapter.

The present Issue being made under Regulation 106M (1) of Chapter XB of SEBI (ICDR) Regulation.

2.2 OTHER ELIGIBILITY REQUIREMENTS

In addition to the eligibility requirements specified in paragraphs 2.1, an Issuer proposing to undertake an IPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 1956 (the “Companies Act”), The Securities Contracts (Regulation) Rules, 1957 (the “SCRR”), industry-specific regulations, if any, and other applicable laws for the time being in force. Following are the eligibility requirements for making an SME IPO under Regulation 106M (1) of Chapter XB of SEBI (ICDR) Regulation:

- (a) In accordance with regulation 106(P) of the SEBI (ICDR) Regulations, Issue has to be 100% underwritten and the LM has to underwrite at least 15% of the total issue size.
- (b) In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, total number of proposed allottees in the Issue shall be greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date the company becomes liable to repay it, than the Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 73 of the Companies Act, 1956
- (c) In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, Company is not required to file any Offer Document with SEBI nor has SEBI issued any observations on the Offer Document. The Lead Manager shall submit the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.
- (d) In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the LM has to ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Issue.
- (e) The Issuer shall not have Net Tangible assets of at least Rs. 1 crore as per the latest audited financial results.
- (f) The Net worth (excluding revaluation reserves) of the Issuer shall be at least Rs. 1 crore as per the latest audited financial results.
- (g) The Issuer should have a track record of distributable profits in terms of section 123 of Companies Act, 2013 for two out of immediately preceding three financial years or it should have net worth of at least Rs. 3 Crores.
- (h) The Post-issue paid up capital of the Issuer shall be at least Rs. 1 Crore.

- (i) The Issuer shall mandatorily facilitate trading in demat securities.
- (j) The Issuer should not been referred to Board for Industrial and Financial Reconstruction.
- (k) No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company
- (l) No material regulatory or disciplinary action should have been taken by any stock exchange or regulatory authority in the past three years against the Issuer.
- (m) The Company should have a website

Issuer shall also comply with all the other requirements as laid down for such an Issue under Chapter X-B of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) 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 this Issue.

Thus Company is eligible for the Issue in accordance with regulation 106M (1) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital does not exceed Rs. 1,000 lakhs. Company also complies with the eligibility conditions laid by the SME Platform of BSE for listing of our Equity Shares.

2.3 TYPES OF PUBLIC ISSUES – FIXED PRICE ISSUES AND BOOK BUILT ISSUES

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process (**“Book Built Issue”**) or undertake a Fixed Price Issue (**“Fixed Price Issue”**). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Issue Opening Date, in case of an IPO and at least one Working Day before the Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities. Applicants should refer to the Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.4 ISSUE PERIOD

The Issue may be kept open for a minimum of three Working Days (for all category of Applicants) and not more than ten Working Days. Applicants are advised to refer to the Application Form and Abridged Prospectus or Prospectus for details of the Issue Period. Details of Issue Period are also available on the website of Stock Exchange(s).

2.5 MIGRATION TO MAIN BOARD

SME Issuer may migrate to the Main Board of SE from the SME Exchange at a later date subject to the following:

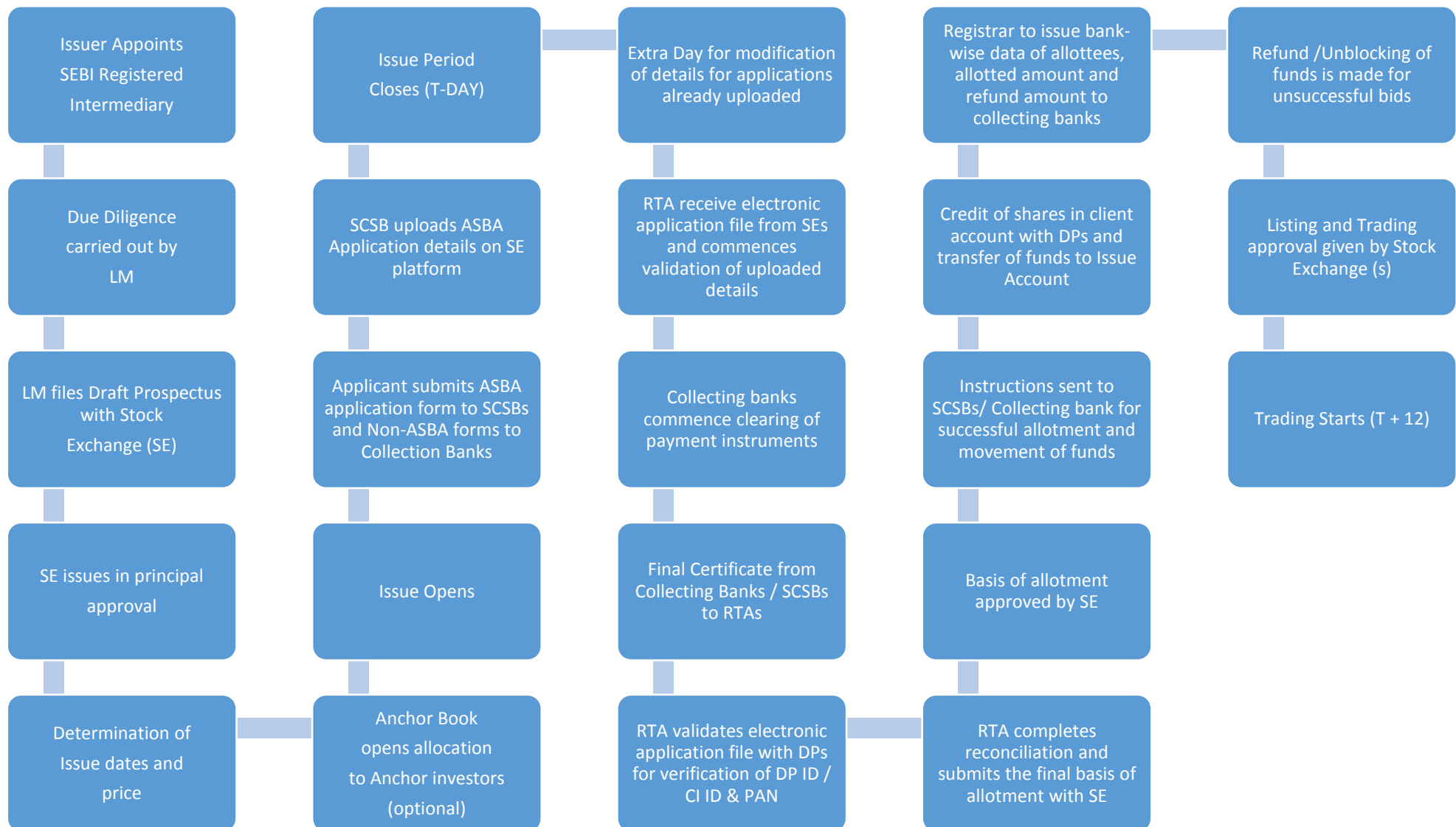
- (a) If the Paid up Capital of the Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), the Company shall apply to SE for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

- (b) If the Paid up Capital of the company is more than 10 crores but below Rs. 25 crores, the Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

2.6 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price Issues is as follows



SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.

Subject to the above, an illustrative list of Applicants is as follows:

- Indian nationals resident in India who are not incompetent to contract in single or joint names (not more than three) or in the names of minors as natural/legal guardian;
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The 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;
- 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;
- Mutual Funds registered with SEBI;
- 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;
- 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);
- FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI
- Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- State Industrial Development Corporations;
- Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- Insurance Companies registered with IRDA;
- Provident Funds and Pension Funds with minimum corpus of Rs. 2,500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
- Multilateral and Bilateral Development Financial Institutions;
- National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- Insurance funds set up and managed by army, navy or air force of the Union of India or by Department of Posts, India;
- Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws

As per the existing regulations, OCBs cannot participate in this Issue.

SECTION 4: APPLYING IN THE ISSUE

Fixed Price Issue: Applicants should only use the specified Application Form either bearing the stamp of Collection Bank(s) or SCSBs as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Branches of Collection Banks or Designated Branches of the SCSBs, at the registered office of the Issuer and at the corporate office of LM. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Application Form for various categories of Applicants is as follows:

| Category | Colour of the Application |
|---|---------------------------|
| Resident Indian, Eligible NRIs applying on a non repatriation basis | White |
| NRIs, FVCIs, FPIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporate(s) or foreign individuals applying under the QIB), on a repatriation basis | Blue |
| Anchor Investors (where applicable) & Applicants applying in the reserved category | Not Applicable |

Securities Issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Applicants will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to allotment.

4.1 INSTRUCTIONS FOR FILING THE APPLICATION FORM (FIXED PRICE ISSUE)

Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the Prospectus and the Application Form are liable to be rejected.

Instructions to fill each field of the Application Form can be found on the reverse side of the Application Form. Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below.

The samples of the Application Form for resident Applicants and the Application Form for non-resident Applicants are reproduced below:



R Application Form

| | | | | | |
|--|--|---|--|--|--|
| COMMON APPLICATION FORM FOR ASBA / NON-ASBA | | SRI KRISHNA CONSTRUCTIONS (INDIA) LIMITED - R | | FOR RESIDENT INDIANS & QIBs, ELIGIBLE NRIs APPLYING ON NON-REPATRIATION BASIS | |
|--|--|---|--|--|--|

TO,
THE BOARD OF DIRECTORS
SRI KRISHNA CONSTRUCTIONS (INDIA) LIMITED

FIXED PRICE SME ISSUE

Date : _____

INE094T01015

Application
Form No. _____

| | | | | | |
|---------------------------------|---|--|--|--|--|
| BROKER'S / AGENT'S STAMP & CODE | SUB-BROKER'S / SUB-AGENT'S STAMP & CODE | 1. NAME & CONTACT DETAILS of Sole/First Applicant | | | |
| | | Mr. / Ms. _____ Age _____ | | | |
| BANK BRANCH STAMP & CODE | BANK BRANCH SERIAL NO. | Address _____ Email _____ Tel. No (with STD code) / Mobile _____ | | | |
| REGISTRAR'S SERIAL NO. | | 2. PAN OF SOLE/FIRST APPLICANT | | | |
| | | | | | |

| | | | |
|---|------------|--|-------------------------------|
| 3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS | | <input type="checkbox"/> NSDL | <input type="checkbox"/> CDSL |
| For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID. | | | |
| 4. APPLICATION DETAILS | | 5. CATEGORY | |
| No. of Equity Shares of Rs.10/- each applied at the Issue Price i.e. at Rs.45/- per share ^{1 & 2} | | <input type="checkbox"/> Retail Individual <input type="checkbox"/> Non-Institutional <input type="checkbox"/> QIB | |
| (In Figures) | (In Words) | | |
| ¹ Please note that applications must be made in minimum of 3000 shares and further multiples of 3000 shares accordingly. ² Please note that the trading of equity shares will be only in dematerialised mode on the SME Platform of BSE. | | | |

| | |
|---|---|
| 6. Investor Status | |
| <input type="checkbox"/> Individual(s) - IND <input type="checkbox"/> Hindu Undivided Family* - HUF <input type="checkbox"/> Bodies Corporate - CO <input type="checkbox"/> Banks & Financial Institutions - FI <input type="checkbox"/> Mutual Funds - MF <input type="checkbox"/> National Investment Funds - NIF <input type="checkbox"/> Insurance Funds - IF <input type="checkbox"/> Insurance Companies - IC <input type="checkbox"/> Venture Capital Funds - VC <input type="checkbox"/> Others (Please Specify) - OTH | *HUF Should apply only through Karta (Application by HUF would be treated on par with individual) |

| | | |
|---|--------------------------|-----------------------------------|
| 7. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below) | | PAYMENT OPTION : Full Payment |
| Amount Paid (Rs. in Figures) _____ (Rs. in words) _____ | | |
| <input type="checkbox"/> (A) CHEQUE / DEMAND DRAFT (DD) | | <input type="checkbox"/> (B) ASBA |
| Cheque / DD No. _____ Dated <u> </u> <u> </u> / <u> </u> / <u> </u> | Bank A/c No. _____ | |
| Drawn on (Bank Name & Branch) _____ | Bank Name & Branch _____ | |

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED FORM 2A AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.

| | | | |
|--|---|---------------------|---|
| 8 A. SIGNATURE OF SOLE / FIRST APPLICANT | 8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS) (For ASBA Option ONLY) | BANK BRANCH'S STAMP | REFUND OPTION (OPTIONAL) |
| Date: _____, 2015 | I/We authorize the SCSS to do all acts as are necessary to make the Application in the issue. | | Refund through RTGS IFSC Code of the Branch whose account is maintained _____ |
| | 1) _____ | | |
| | 2) _____ | | |
| | 3) _____ | | |

TEAR HERE


| | | | |
|---|---|-----------------------------------|-------------------------|
| SRI KRISHNA CONSTRUCTIONS (INDIA) LIMITED - R | | Acknowledgement Slip for SCSS | Application Form No. |
| DPID / CLID _____ | PAN _____ | | |
| Received from Mr./Ms. _____ Address _____ Telephone / Mobile _____ E-mail _____ | No. of Equity Shares applied for in Figures _____ in words _____ Cheque / Demand Draft dated _____ Instrument No./ASBA Bank A/c No.: _____ Drawn on (Name of Bank & Branch) _____ | Bank's Stamp & Signature _____ | |

TEAR HERE

| | | | | |
|---|---|-------------------|------------------------------------|---|
| SRI KRISHNA CONSTRUCTIONS (INDIA) LIMITED - R | In Figures No. of Equity Shares Amount Paid (Rs.) | In Words _____ | Stamp & Signature of SCSS _____ | Name of Sole / First Applicant _____ _____ _____ |
| | | | | Acknowledgement Slip for Applicant |
| Cheque / DD/ ASBA Bank A/c No.: _____ Bank & Branch: _____ | | | | Application Form No. _____ |

NR Application Form

| | | |
|--|---|---|
| COMMON APPLICATION FORM FOR ASBA / NON-ASBA | SRI KRISHNA CONSTRUCTIONS (INDIA) LIMITED - NR | FOR NRIs, FIIs, FVCI ETC. APPLYING ON A REPATRIATION BASIS |
|--|---|---|

| | | |
|---|---|--|
|  TO, THE BOARD OF DIRECTORS SRI KRISHNA CONSTRUCTIONS (INDIA) LIMITED | FIXED PRICE SME ISSUE INE094T01015 | Date : _____ Application Form No. _____ |
|---|---|--|

| | | |
|---------------------------------|---|---|
| BROKER'S / AGENT'S STAMP & CODE | SUB-BROKER'S / SUB-AGENT'S STAMP & CODE | 1. NAME & CONTACT DETAILS of Sole/First Applicant |
| | | Mr. / Ms. _____ Age _____ |
| BANK BRANCH STAMP & CODE | BANK BRANCH SERIAL NO. | Address _____ |
| | | Email _____ |
| REGISTRAR'S SERIAL NO. | | Tel. No (with STD code) / Mobile _____ |
| | | 2. PAN OF SOLE/FIRST APPLICANT _____ |


| | | | |
|---|-------------------------------|--|---|
| 3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS | <input type="checkbox"/> NSDL | <input type="checkbox"/> CDSL | 6. Investor Status |
| | | | <input type="checkbox"/> Non-Resident Indians (Repatriation basis) NRI <input type="checkbox"/> Foreign Institutional Investor FII <input type="checkbox"/> Foreign Venture Capital Investor FVCI <input type="checkbox"/> FII Sub Account Corporate/Individual FII SA <input type="checkbox"/> Others (Please Specify) OTH |
| For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID. | | | |
| 4. APPLICATION DETAILS | | 5. CATEGORY | |
| No. of Equity Shares of Rs.10/- each applied at the Issue Price i.e. at Rs.45/- per share ^{1 & 2} (In Figures) _____ (In Words) _____ | | <input type="checkbox"/> Retail Individual <input type="checkbox"/> Non-Institutional <input type="checkbox"/> QIB | |
| ¹ Please note that applications must be made in minimum of 3000 shares and further multiples of 3000 shares accordingly. ² Please note that the trading of equity shares will be only in dematerialised mode on the SME Platform of BSE. | | | |

| | | | |
|---|--|---|--|
| 7. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below) | | PAYMENT OPTION : Full Payment | |
| Amount Paid (Rs. in Figures) _____ (Rs. in words) _____ | | | |
| <input type="checkbox"/> (A) CHEQUE / DEMAND DRAFT (DD) Cheque / DD No. _____ Dated _____ Drawn on (Bank Name & Branch) _____ | | <input type="checkbox"/> (B) ASBA Bank A/c No. _____ Bank Name & Branch _____ | |

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED FORM 2A AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.

| | | | |
|---|--|---------------------|---|
| 8A. SIGNATURE OF SOLE / FIRST APPLICANT | 8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS). (For ASBA Option ONLY) (I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue) | BANK BRANCH'S STAMP | REFUND OPTION (OPTIONAL) |
| | 1) _____ 2) _____ 3) _____ | | Refund through RTGS IFSC Code of the Branch whose account is maintained _____ |
| Date: _____, 2015 | | | |

TEAR HERE

| | | |
|---|---|-----------------------------------|
|  SRI KRISHNA CONSTRUCTIONS (INDIA) LIMITED - NR | Acknowledgement Slip for SCSB | Application Form No. _____ |
| DPID / CLID _____ PAN _____ | | |
| Received from Mr./Ms. _____ Address _____ Telephone / Mobile _____ E-mail _____ | No. of Equity Shares applied for in Figures _____ in words _____ Cheque / Demand Draft dated _____ Instrument No./ASBA Bank A/c No.: _____ Drawn on (Name of Bank & Branch) _____ | Bank's Stamp & Signature _____ |

TEAR HERE

| | | | | |
|--|------------|----------|---------------------------|--------------------------------|
| SRI KRISHNA CONSTRUCTIONS (INDIA) LIMITED - NR | In Figures | In Words | Stamp & Signature of SCSB | Name of Sole / First Applicant |
| No. of Equity Shares | _____ | _____ | _____ | _____ |
| Amount Paid (Rs.) | _____ | _____ | _____ | _____ |
| Acknowledgment Slip for Applicant | | | | |
| Cheque / DD/ ASBA Bank A/c No.: _____ | | | | Application Form No. _____ |
| Bank & Branch: _____ | | | | |

4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/ FIRST APPLICANT

Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

- (a) **Mandatory Fields:** Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/ mobile number fields are optional. Applicants should note that the contact details mentioned in the Application Form may be used to dispatch communications(including refund orders and letters notifying the unblocking of the bank accounts of ASBA Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Application Form may be used by the Issuer, the members of the Syndicate, the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- (b) **Joint Applications:** In the case of Joint Applications, the Applications should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Applicant whose name appears in the Application Form or the Revision Form and all communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- (c) **Impersonation:** Attention of the Applicants is specifically drawn to the provisions of sub section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

‘Any person who:

- **makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, its securities; or**
- **makes or abets making of multiple applications to a Company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or**
- **otherwise induces directly or indirectly a Company to allot, or register any transfer of securities to him, or to any other person in a fictitious name,**

Shall be liable for action under section 447 of the said Act.’

- (d) **Nomination Facility to Applicant:** Nomination facility is available in accordance with the provisions of Section 109A of the Companies Act. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Applicants should inform their respective DP.

4.1.2 FIELD NUMBER 2: PAN NUMBER OF SOLE /FIRST APPLICANT

- (a) PAN (of the sole/ first Applicant) provided in the Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories’ records.
- (b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Applications on behalf of the Central or State Government, Applications by officials appointed by the courts and Applications by Applicants residing in Sikkim (“PAN Exempted Applicants”). Consequently, all

Applicants, other than the PAN Exempted Applicants, are required to disclose their PAN in the Application Form, irrespective of the Application Amount. An Application Form without PAN, except in case of Exempted Applicants, is liable to be rejected. Applications by the Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

- (c) The exemption for the PAN Exempted Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.
- (d) Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- (e) Applications by Applicants whose demat accounts have been ‘suspended for credit’ are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as “Inactive demat accounts” and demographic details are not provided by depositories.

4.1.3 FIELD NUMBER 3: APPLICANTS DEPOSITORY ACCOUNT DETAILS

- (a) Applicants should ensure that DP ID and the Client ID are correctly filled in the Application Form. The DP ID and Client ID provided in the Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Application Form is liable to be rejected.**
- (b) Applicants should ensure that the beneficiary account provided in the Application Form is active.
- (c) Applicants should note that on the basis of DP ID and Client ID as provided in the Application Form, the Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for giving refunds and allocation advice (including through physical refund warrants, direct credit, NECS, NEFT and RTGS), or unblocking of ASBA Account or for other correspondence(s) related to an Issue.
- (d) Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants’ sole risk.

4.1.4 FIELD NUMBER 4: APPLICATION DETAILS

- (a) The Issuer may mention Price in the Prospectus. However a prospectus registered with RoC contains one price.
- (b) Minimum And Maximum Application Size
 - i. For Retail Individual Applicants

The Application must be for a minimum of 3,000 Equity Shares. As the Application Price payable by the Retail Individual Applicants cannot exceed Rs. 2,00,000, they can make Application for only minimum Application size i.e. for 3,000 Equity Shares.
 - ii. For Other Applicants (Non Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares such that

the Application Amount exceeds Rs. 200,000 and in multiples of 3,000 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 from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.

- (c) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to Collection Bank(s) or SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.
- (d) Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:
 - i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FPI sub-accounts, Applications bearing the same PAN may be treated as multiple applications by an Applicant and may be rejected.
 - ii. For applications from Mutual Funds and FPI sub-accounts, submitted under the same PAN, as well as Applications on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.
- (e) The following applications may not be treated as multiple Applications:
 - i. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Net Issue portion in public category.
 - ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Application has been made.
 - iii. Applications by Mutual Funds, and sub-accounts of FPIs (or FPIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4.1.5 FIELD NUMBER 5: CATEGORY OF APPLICANTS

- i. The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Application, allocation and allotment in the Issue are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).
- ii. An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, applicants may refer to the Prospectus.
- iii. The SEBI ICDR Regulations, 2009 specify the allocation or allotment that may be made to various categories of applicants in an Issue depending upon compliance with the

eligibility conditions. For details pertaining to allocation and Issue specific details in relation to allocation, applicant may refer to the Prospectus.

4.1.6 FIELD NUMBER 6: INVESTOR STATUS

- (a) Each Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue is in compliance with the investment restrictions under applicable law.
- (b) Certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.
- (c) Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Application Form and Non-Resident Application Form.
- (d) Applicants should ensure that their investor status is updated in the Depository records.

4.1.7 FIELD 7: PAYMENT DETAILS

- (a) All Applicants are required to make payment of the full Amount (net of any Discount, as applicable) along-with the Application Form. If the Discount is applicable in the Issue, the RILs should indicate the full Amount in the Application Form and the payment shall be made for an Amount net of Discount. Only in cases where the Prospectus indicates that part payment may be made, such an option can be exercised by the Applicant.
- (b) RILs and/or Reserved Categories applying in their respective reservation portion can apply, either through the ASBA mechanism or by paying the application amount through a cheque or a demand draft ("Non-ASBA Mechanism").
- (c) Application Amount cannot be paid in cash, through money order or through postal order or through stock invest.
- (d) 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.

4.1.7.1 Instructions for non-ASBA Applicants:

- (a) Non-ASBA Applicants may submit their Application Form with the Collection Bank(s).
- (b) For Applications made through a Collection Bank(s): The Applicant may, with the submission of the Application Form, draw a cheque or demand draft for the application amount in favour of the Escrow Account as specified under the Prospectus and the Application Form and submit the same to the escrow Collection Bank(s).
- (c) If the cheque or demand draft accompanying the Application Form is not made favouring the Escrow Account, the form is liable to be rejected.
- (d) Payments should be made by CTS 2010 compliant cheque, or demand draft drawn on any bank (including a co-operative bank), which is situated at, and is a member of or sub-member of the bankers' clearing house located at the centre where the Application Form is submitted. Non CTS 2010 cheques/bank drafts drawn on banks not participating in the clearing process may not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected.
- (e) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Applicants until the Designated Date.

- (f) Applicants are advised to provide the number of the Application Form and PAN on the reverse of the cheque or bank draft to avoid any possible misuse of instruments submitted.

4.1.7.2 Payment instructions for ASBA Applicants

- (a) ASBA Applicants may submit the Application Form in physical mode to the Designated Branch of an SCSB where the Applicants have ASBA Account.
- (b) ASBA Applicants should specify the Bank Account number in the Application Form. The Application Form submitted by an ASBA Applicant and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.
- (c) Applicants should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;
- (d) Applicants shall note that that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- (e) From one ASBA Account, a maximum of five Application Forms can be submitted.
- (f) ASBA Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- (g) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.
- (h) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and may upload the details on the Stock Exchange Platform.
- (i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.
- (j) Upon submission of a completed Application Form each ASBA Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.
- (k) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.
- (l) SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB; else their Applications are liable to be rejected.

4.1.8 Unblocking of ASBA Account

- (a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant bank

account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected ASBA Applications, if any, along with reasons for rejection and details of withdrawn or unsuccessful Applications, if any, to enable the SCSBs to unblock the respective bank accounts.

- (b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful ASBA Application to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- (c) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within 12 Working Days of the Issue Closing Date.

4.1.8.1 Discount (if applicable)

- (a) The Discount is stated in absolute rupee terms.
- (b) RILs, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, applicants may refer to the Prospectus.
- (c) The Applicants entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Application Amount less Discount (if applicable).

4.1.8.2 Additional Payment Instructions for NRIs

The Non-Resident Indians who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of applications by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

4.1.9 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

- (a) Only the First Applicant is required to sign the Application Form. Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- (b) If the ASBA Account is held by a person or persons other than the ASBA Applicant., then the Signature of the ASBA Account holder(s) is also required.
- (c) In relation to the ASBA Applications, signature has to be correctly affixed in the authorization/undertaking box in the Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the application amount mentioned in the Application Form.
- (d) Applicants must note that Application Form without signature of Applicant and /or ASBA Account holder is liable to be rejected.

4.1.10 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

Applicants should ensure that they receive the acknowledgment duly signed and stamped by an Escrow Collection Bank or SCSB, as applicable, for submission of the Application Form.

- (a) All communications in connection with Applications made in the Issue should be addressed as under:
 - i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, refund orders, the Applicants should contact the Registrar to the Issue.

- ii. In case of ASBA applications submitted to the Designated Branches of the SCSBs, the Applicants should contact the relevant Designated Branch of the SCSB.
 - iii. Applicant may contact the Company Secretary and Compliance Officer or LM(s) in case of any other complaints in relation to the Issue.
- (b) The following details (as applicable) should be quoted while making any queries -
- i. full name of the sole or First Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application.
 - ii. In case of Non-ASBA applications cheque or draft number and the name of the issuing bank thereof
 - iii. In case of ASBA applications, ASBA Account number in which the amount equivalent to the application amount was blocked.

For further details, Applicant may refer to the Prospectus and the Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM


- (a) During the Issue Period, any Applicant (other than QIBs and NIIs, who can only revise their application amount upwards) who has registered his or her interest in the Equity Shares for a particular number of shares is free to revise number of shares applied using revision forms available separately.
- (b) RII may revise their applications till closure of the Issue period or withdraw their applications until finalization of allotment.
- (c) Revisions can be made only in the desired number of Equity Shares by using the Revision Form.
- (d) The Applicant can make this revision any number of times during the Issue Period. However, for any revision(s) in the Application, the Applicants will have to use the services of the SCSB through which such Applicant had placed the original Application.

A sample Revision form is reproduced below:

Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

Revision Form – R


| | | |
|---|--|--|
| COMMON REVISION FORM FOR ASBA / NON-ASBA | SRI KRISHNA CONSTRUCTIONS (INDIA) LIMITED - R | FOR RESIDENT INDIANS & QIBs, ELIGIBLE NRIs APPLYING ON NON-REPATRIATION BASIS |
|---|--|--|

| | | |
|---|---|--|
|  TO, THE BOARD OF DIRECTORS SRI KRISHNA CONSTRUCTIONS (INDIA) LIMITED | FIXED PRICE SME ISSUE INE094T01015 | Date : _____ Application Form No. _____ |
| BROKER'S / AGENT'S STAMP & CODE BANK BRANCH STAMP & CODE REGISTRAR'S SERIAL NO. | SUB-BROKER'S / SUB-AGENT'S STAMP & CODE BANK BRANCH SERIAL NO. | 1. NAME & CONTACT DETAILS of Sole/First Applicant Mr. / Ms. _____ Age _____ Address _____ Email _____ Tel. No (with STD code) / Mobile _____ 2. PAN OF SOLE/FIRST APPLICANT _____ |

| | | | | | | | | | | | | | | | | | | | |
|---|--|---|---|----------------|---|---|---|--|---|---|---|---|---|---|----------------|---|---|---|---|
| PLEASE CHANGE MY APPLICATION <input type="checkbox"/> PHYSICAL | | | | | | | | | | | | | | | | | | | |
| 4. FROM (as per last Application or Revision) | | | | | | | | | | | | | | | | | | | |
| Options | No. of Equity Shares applied (Application must be in multiples of 3000 equity shares) (In Figures) | | | | | | | Price per Equity Share (₹) (In Figures) | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | 7 | 6 | 5 | 4 | 3 | 2 | 1 | 4 | 3 | 2 | 1 | 4 | 3 | 2 | 1 | 4 | 3 | 2 | 1 |
| Option 1 | | | | | | | | | | | | | | | | | | | |
| (OR) Option 2 | | | | NOT APPLICABLE | | | | | | | | | | | NOT APPLICABLE | | | | |
| (OR) Option 3 | | | | NOT APPLICABLE | | | | | | | | | | | NOT APPLICABLE | | | | |
| 5. TO (Revised Application) | | | | | | | | | | | | | | | | | | | |
| Options | No. of Equity Shares applied (Application must be in multiples of 3000 equity shares) (In Figures) | | | | | | | Price per Equity Share (₹) (In Figures) | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | 7 | 6 | 5 | 4 | 3 | 2 | 1 | 4 | 3 | 2 | 1 | 4 | 3 | 2 | 1 | 4 | 3 | 2 | 1 |
| Option 1 | | | | | | | | | | | | | | | | | | | |
| (OR) Option 2 | | | | NOT APPLICABLE | | | | | | | | | | | NOT APPLICABLE | | | | |
| (OR) Option 3 | | | | NOT APPLICABLE | | | | | | | | | | | NOT APPLICABLE | | | | |
| 6. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below) | | | | | | | | | | | | | | | | | | | |
| Additional Amount Paid (₹ in Figures) _____ (₹ in words) _____ | | | | | | | | | | | | | | | | | | | |
| <input type="checkbox"/> (A) CHEQUE / DEMAND DRAFT (DD) <input type="checkbox"/> (B) ASBA | | | | | | | | | | | | | | | | | | | |
| Cheque / DD No. _____ Dated <u>DD</u> <u>MM</u> <u>YY</u> Drawn on (Bank Name & Branch) _____ Bank A/c No. _____ Bank Name & Branch _____ | | | | | | | | | | | | | | | | | | | |
| I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED FORM 2A AND HEREBY AGREE AND CONFIRM THE APPLICANTS UNDERTAKING* AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF. | | | | | | | | | | | | | | | | | | | |

| | | |
|--|---|--|
| 7 A. SIGNATURE OF SOLE / FIRST APPLICANT Date: _____, 2015 | 7 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) (For ASBA Option ONLY) I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue 1) _____ 2) _____ 3) _____ | BROKER'S / SCSB BRANCH'S STAMP (Acknowledging upload of Application in Stock Exchange System) |
|--|---|--|

TEAR HERE

| | | |
|--|--|----------------------------|
|  SRI KRISHNA CONSTRUCTIONS (INDIA) LIMITED - R | Acknowledgement Slip for SCSB | Application Form No. _____ |
| DPID / CLID _____ PAN _____ | | |
| Additional Amount Paid (₹ in figures) _____ Bank & Branch _____ | Stamp & Signature of Banker | |
| Cheque / DD/ASBA Bank A/c No. _____ | | |
| Received from Mr./Ms. _____ | | |
| Telephone / Mobile _____ Email _____ | | |

TEAR HERE

| | | | | | | | |
|---|---------------------------------------|----------|----------|----------|--|--|----------------------------|
| SRI KRISHNA CONSTRUCTIONS (INDIA) LIMITED - REVISION - R | No. of Equity Shares | Option 1 | Option 2 | Option 3 | Acknowledgement of Syndicate Member / SCSB | Name of Sole / First Applicant | |
| | Issue Price | | | | | | |
| | Additional Amount Paid (₹) | | | | | | |
| | Cheque / DD/ ASBA Bank A/c No.: _____ | | | | | Acknowledgment Slip for Applicant | Application Form No. _____ |
| | Bank & Branch: _____ | | | | | | |



Revision Form - NR

| | | | | | |
|---|--|--|--|--|--|
| COMMON REVISION FORM FOR ASBA / NON-ASBA | | SRI KRISHNA CONSTRUCTIONS (INDIA) LIMITED - NR | | FOR NRIs, FII's, FVCI ETC. APPLYING ON A REPATRIATION BASIS | |
|---|--|--|--|--|--|

TO,
THE BOARD OF DIRECTORS
SRI KRISHNA CONSTRUCTIONS (INDIA) LIMITED

FIXED PRICE SME ISSUE

Date : _____

Application Form No. _____

| | |
|---------------------------------|---|
| BROKER'S / AGENT'S STAMP & CODE | SUB-BROKER'S / SUB-AGENT'S STAMP & CODE |
| | |
| BANK BRANCH STAMP & CODE | BANK BRANCH SERIAL NO. |
| | |
| REGISTRAR'S SERIAL NO. | |

1. NAME & CONTACT DETAILS of Sole/First Applicant

Mr. / Ms. _____

Age _____

Address _____

Email _____

Tel. No (with STD code) / Mobile _____

2. PAN OF SOLE/FIRST APPLICANT

PLEASE CHANGE MY APPLICATION ☐ PHYSICAL

4. FROM (as per last Application or Revision)

| Options | No. of Equity Shares applied (Application must be in multiples of 3000 equity shares) | | | | | | | | Price per Equity Share (₹) (In Figures) | | | | | | | | | | | | | | | |
|---------------|--|---|---|---|---|---|---|--|--|---|---|---|------------------|---|---|---|-----------|---|---|---|--|--|--|--|
| | (In Figures) | | | | | | | | Issue Price | | | | Discount, if any | | | | Net Price | | | | | | | |
| | 7 | 6 | 5 | 4 | 3 | 2 | 1 | | 4 | 3 | 2 | 1 | 4 | 3 | 2 | 1 | 4 | 3 | 2 | 1 | | | | |
| Option 1 | | | | | | | | | | | | | | | | | | | | | | | | |
| (OR) Option 2 | | | | | | | | | | | | | | | | | | | | | | | | |
| (OR) Option 3 | | | | | | | | | | | | | | | | | | | | | | | | |

5. TO (Revised Application)

| Options | No. of Equity Shares applied (Application must be in multiples of 3000 equity shares) | | | | | | | | Price per Equity Share (₹) (In Figures) | | | | | | | | | | | | | | | |
|---------------|--|---|---|---|---|---|---|--|--|---|---|---|------------------|---|---|---|-----------|---|---|---|--|--|--|--|
| | (In Figures) | | | | | | | | Issue Price | | | | Discount, if any | | | | Net Price | | | | | | | |
| | 7 | 6 | 5 | 4 | 3 | 2 | 1 | | 4 | 3 | 2 | 1 | 4 | 3 | 2 | 1 | 4 | 3 | 2 | 1 | | | | |
| Option 1 | | | | | | | | | | | | | | | | | | | | | | | | |
| (OR) Option 2 | | | | | | | | | | | | | | | | | | | | | | | | |
| (OR) Option 3 | | | | | | | | | | | | | | | | | | | | | | | | |

6. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below)

Additional Amount Paid (₹ in Figures) _____ (₹ in words) _____

☐ (A) CHEQUE / DEMAND DRAFT (DD)

Cheque / DD No. _____ Dated / /

Drawn on (Bank Name & Branch) _____

☐ (B) ASBA

Bank A/c No. _____

Bank Name & Branch _____

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED FORM 2A AND HEREBY AGREE AND CONFIRM THE "APPLICANTS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.

7 A. SIGNATURE OF SOLE / FIRST APPLICANT

Date: _____, 2015

**7 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s)
(AS PER BANK RECORDS) (For ASBA Option ONLY)**

(We authorize the SCSE to do all acts as are necessary to make the Application in the issue

1) _____

2) _____

3) _____

**BROKER'S / SCSE BRANCH'S STAMP
(Acknowledging upload of Application in
Stock Exchange System)**

TEAR HERE

SRI KRISHNA CONSTRUCTIONS (INDIA) LIMITED - NR

Acknowledgement of
Syndicate Member / SCSE

Application Form No. _____

DPID / CLID _____ PAN _____

Additional Amount Paid (₹ in figures) _____ Bank & Branch _____

Cheque / DD/ASBA Bank A/c No. _____

Received from Mr./Ms. _____

Telephone / Mobile _____ Email _____

Stamp & Signature of Banker

TEAR HERE

SRI KRISHNA CONSTRUCTIONS (INDIA) LIMITED - REVISION - NR

| | Option 1 | Option 2 | Option 3 |
|----------------------------|----------|----------|----------|
| No. of Equity Shares | | | |
| Issue Price | | | |
| Additional Amount Paid (₹) | | | |

Cheque / DD/ ASBA Bank A/c No.: _____

Bank & Branch: _____

**Acknowledgement of
Syndicate Member / SCSE**

Name of Sole / First Applicant

Acknowledgment Slip for Applicant

Application Form No. _____

4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST APPLICANT, PAN OF SOLE/FIRST APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE APPLICANT

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 FIELD 4 & 5: APPLICATION REVISION 'FROM' AND 'TO'

- (a) Apart from mentioning the revised number of shares in the Revision Form, the Applicant must also mention the details of shares applied for given in his or her Application Form or earlier Revision Form.
- (b) In case of revision of applications by RIIs, Employees and Retail Individual Shareholders, such Applicants should ensure that the application amount should exceed Rs. 2,00,000/- due to revision and the application may be considered, subject to eligibility, for allocation under the Non-Institutional Category.

4.2.3 FIELD 6: PAYMENT DETAILS

- (a) With respect to the applications, other than applications submitted by ASBA Applicants, any revision of the application should be accompanied by payment in the form of cheque or demand draft for the amount, if any, to be paid on account of the upward revision of the application.
- (b) All Applicants are required to make payment of the full application amount along with the Revision Form.
- (c) In case of applications submitted by ASBA Applicant, Applicant may Issue instructions to block the revised amount in the ASBA Account, to Designated Branch through whom such Applicant had placed the original application to enable the relevant SCSB to block the additional application amount, if any.

4.2.4 FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS

Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 SUBMISSION OF REVISION FORM/ APPLICATION FORM

4.3.1 Applicants may submit completed application form / Revision Form in the following manner:-

| Mode of Application | Submission of Application Form |
|----------------------|--|
| Non-ASBA Application | Collection Centres of Escrow Banks |
| ASBA Application | To the Designated branches of the SCSBs where the ASBA Account is maintained |

Applicants should submit the application forms/ Revision Form directly to the escrow collection banks/ASBA Bankers, as applicable.

SECTION 5: ISSUE PROCEDURE IN FIXED PRICE ISSUE

5.1 APPLICANTS MAY NOTE THAT THERE IS NO BID CUM APPLICATION FORM IN A FIXED PRICE ISSUE

As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through SCSB and/or Bankers to the Issue.

ASBA Applicants may submit an Application Form either in physical form to the Designated Branches of the SCSBs or in the electronic form to the SCSB or the Designated Branches of the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only ("ASBA Account"). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Issue Opening Date.

In a fixed price Issue, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

5.2 GROUNDS OF 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 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 3,000;
- Category not ticked;
- Multiple Applications as defined in this 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 where clear funds are not available in the Escrow Account as per the final certificate from the Escrow Collection Bank(s);

- Applications by OCBs;
- Applications by US persons other than in reliance on Regulation S or “qualified institutional buyers” as defined in Rule 144A under the Securities Act;
- Applications not duly signed by the sole Applicant;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications 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 , unless the extended time is permitted by BSE

For details of instructions in relation to the Application Form, Applicants may refer to the relevant section the GID.

APPLICANTS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BROKERS DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.

SECTION 6: ISSUE PROCEDURE IN BOOK BUILT ISSUE

This being Fixed Price Issue, this section is not applicable for this Issue.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

7.1 BASIS OF ALLOTMENT

Allotment will be made in consultation with the 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 hereunder:

- (a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of Applicants in the category x number of Shares applied for).
- (b) The number of Shares to be allocated to the successful Applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- (c) For applications where the proportionate allotment works out to less than 3,000 equity shares the allotment will be made as follows:
 - i. Each successful Applicant shall be allotted 3,000 equity shares; and
 - ii. The successful Applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.

- (d) If the proportionate allotment to an Applicant works out to a number that is not a multiple of 3,000 equity shares, the Applicant would be allotted Shares by rounding off to the nearest multiple of 3,000 equity shares subject to a minimum allotment of 3,000 equity shares.
- (e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Applicants in that category, the balance available Shares or 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 Applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 3,000 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 this Prospectus.
- (f) The above proportionate allotment of Shares in an Issue that is oversubscribed shall be subject to the reservation for Retail individual Applicants as described below:
 - i. As per Regulation 43 (4) of SEBI (ICDR), as the retail individual investor category is entitled to more than fifty per cent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
 - ii. The balance net offer of shares to the public shall be made available for allotment to
 - individual applicants other than retails individual investors and
 - other investors, including corporate bodies/ institutions irrespective of number of shares applied for.
 - iii. The unsubscribed portion of the net offer 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.

'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 BSE.

The Executive Director / Managing Director 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.

7.2 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

- (a) **Designated Date:** On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares (other than ASBA funds with the SCSBs) from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Bankers to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the applicants shall also be made from the Refund Account as per the terms of the Escrow Agreement and the Prospectus.
- (b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Applicants **are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.**

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.

- (c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- (d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Applicants Depository Account will be completed within 12 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within two Working Days from the date of Allotment, after the funds are transferred from the Escrow Account to the Public Issue Account on the Designated Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 12 Working Days of the Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 12 Working Days of the Issue Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Prospectus. The Designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalised.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Prospectus.

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.

8.2.2 MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the "stated minimum amount" has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within 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 becomes 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).

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be refunded forthwith.

8.3 MODE OF REFUND

- (a) **In case of ASBA Applications:** Within 12 Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application and also for any excess amount blocked on Application.
- (b) **In case of Non-ASBA Applications:** Within 12 Working Days of the Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Applicants and also for any excess amount paid on Application, after adjusting for allocation/ allotment to Applicants.
- (c) In case of non-ASBA Applicants, the Registrar to the Issue may obtain from the depositories the Applicants' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Applicants in their Application Forms for refunds. Accordingly, Applicants are advised to immediately update their details as appearing on the records of their DPs. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Applicants' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Applicants for any losses caused to them due to any such delay, or liable to pay any interest for such delay.
- (d) In the case of applications from Eligible NRIs and FPIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Issuer may not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

8.3.1 Mode of making refunds for Applicants other than ASBA Applicants

The payment of refund, if any, may be done through various modes as mentioned below:

- (a) **NECS** - Payment of refund may be done through NECS for Applicants having an account at any of the centres specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the Applicant as obtained from the Depository;
- (b) **NEFT** - Payment of refund may be undertaken through NEFT wherever the branch of the Applicants' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Applicants have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Applicants through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;

- (c) **Direct Credit** - Applicants having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;
- (d) **RTGS** - Applicants having a bank account at any of the centres notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS; and
- (e) For all the other Applicants, including Applicants who have not updated their bank particulars along with the nine-digit MICR code, the refund orders may be dispatched through speed post or registered post for refund orders. Such refunds may be made by cheques, pay orders or demand drafts drawn on the Refund Bank and payable at par at places where applications are received.

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres etc. Applicants are requested to contact their respective Banks.

8.3.2 Mode of making refunds for ASBA Applicants

In case of ASBA Applicants, the Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA applications or in the event of withdrawal or failure of the Issue.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum if refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the 12 Working days of the Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Issue Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

| Term | Description |
|---|---|
| Allotment/ Allot/ Allotted | The allotment of Equity Shares pursuant to the Issue to successful Applicants |
| Allottee | An Applicant to whom the Equity Shares are Allotted |
| Allotment Advice | Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges |
| Anchor Investor | A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI ICDR Regulations, 2009. |
| Anchor Investor Portion | Up to 30% of the QIB Category which may be allocated by the Issuer in consultation with the Lead Manager, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors |
| Application Form | The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue |
| Application Supported by Blocked Amount/(ASBA)/ASBA | An application, whether physical or electronic, used by Bidders/Applicants to make a Bid authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB |
| ASBA Account | Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the ASBA Applicant |
| ASBA Application | An Application made by an ASBA Applicant |
| ASBA Applicant | Prospective /Applicants in the Issue who apply through ASBA |
| Banker(s) to the Issue/ Escrow Collection Bank(s)/ Collecting Banker | The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Escrow Account(s) may be opened, and as disclosed in the Prospectus and Bid cum Application Form of the Issuer |
| Basis of Allotment | The basis on which the Equity Shares may be Allotted to successful Applicants under the Issue |
| Application | An indication to make an offer during the Issue Period by a prospective pursuant to submission of Application Form or during the Anchor Investor Issue Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price including all revisions and modifications thereto. |
| Issue Closing Date | The date after which the SCSBs may not accept any Application for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation Applicants may refer to the Prospectus for the Issue Closing Date |
| Issue Opening Date | The date on which the SCSBs may start accepting application for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/ bidders |

| Term | Description |
|---|---|
| | may refer to the Prospectus for the Issue Opening Date |
| Issue Period | The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants (can submit their application inclusive of any revisions thereof. The Issuer may consider closing the Issue Period for QIBs one working day prior to the Issue Closing Date in accordance with the SEBI ICDR Regulations, 2009. Applicants may refer to the Prospectus for the Issue Period |
| Application Amount | The value indicated in Application Form and payable by the Applicant upon submission of the Application, less discounts (if applicable). |
| Application Form | The form in terms of which the Applicant should make an offer to subscribe for or purchase the Equity Shares and which may be considered as the application for Allotment for the purposes of the Prospectus, whether applying through the ASBA or otherwise. |
| Applicant | Any prospective investor (including an ASBA Applicant) who makes an application pursuant to the terms of the Prospectus and the Application Form. In case of issues undertaken through the fixed price process, all references to an Applicant should be construed to mean an Bidder/ Applicant |
| Book Building Process/ Book Building Method | The book building process as provided under SEBI ICDR Regulations, 2009 |
| Lead Manager(s)/Lead Manager/ LM | The Lead Manager to the Issue as disclosed in the Prospectus and the Bid Application Form of the Issuer. |
| Business Day | Monday to Friday (except public holidays) |
| CAN/Confirmation of Allotment Note | The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange |
| Client ID | Client Identification Number maintained with one of the Depositories in relation to demat account |
| Companies Act | The Companies Act, 1956 and The Companies Act, 2013 (to the extant notified) |
| DP | Depository Participant |
| DP ID | Depository Participant's Identification Number |
| Depositories | National Securities Depository Limited and Central Depository Services (India) Limited |
| Demographic Details | Details of the Bidders/Applicants including the Bidder/Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details |
| Designated Branches | Such branches of the SCSBs which may collect the Bid cum Application Forms used by the ASBA Bidders/Applicants applying through the ASBA and a list of which is available on- http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries |
| Designated Date | The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account or the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Applicants in the Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale |
| Designated Stock | The designated stock exchange as disclosed in the Prospectus of the Issuer |

| Term | Description |
|---|---|
| Exchange | |
| Discount | Discount to the Issue Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations, 2009. |
| Draft Prospectus | The draft prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price or a Price Band |
| Employees | Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoter. For further details /Applicant may refer to the Prospectus |
| Equity Shares | Equity shares of the Issuer |
| Escrow Account | Account opened with the Escrow Collection Bank(s) and in whose favour the Applicants (excluding the ASBA /Applicants) may Issue cheques or drafts in respect of the Bid Amount when submitting a Bid |
| Escrow Agreement | Agreement to be entered into among the Issuer, the Registrar to the Issue, the Lead Manager(s), the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the A applicant Amounts and where applicable, remitting refunds of the amounts collected to the Applicants (excluding the ASBA Applicants) on the terms and conditions thereof |
| Escrow Collection Bank(s) | Refer to definition of Banker(s) to the Issue |
| FCNR Account | Foreign Currency Non-Resident Account |
| Applicant | The Applicant whose name appears first in the Application Form or Revision Form |
| FPI(s) | Foreign Portfolio Investor |
| Fixed Price Issue/ Fixed Price Process/Fixed Price Method | The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made |
| FPO | Further public offering |
| Foreign Venture Capital Investors or FVCIs | Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000 |
| IPO | Initial public offering |
| Issue | Public Issue of Equity Shares of the Issuer including the Offer for Sale if applicable |
| Issuer/ Company | The Issuer proposing the initial public offering/further public offering as applicable |
| Issue Price | The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Prospectus. The Issue Price may be decided by the Issuer in consultation with the Lead Manager(s) |
| Maximum RII Allottees | The maximum number of RIIs who can be allotted the minimum Application Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Application Lot. |
| MICR | Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf |
| Mutual Fund | A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996 |
| NECS | National Electronic Clearing Service |
| NEFT | National Electronic Fund Transfer |
| NRE Account | Non-Resident External Account |

| Term | Description |
|---|--|
| NRI | NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares |
| NRO Account | Non-Resident Ordinary Account |
| Net Issue | The Issue less Market Maker Reservation Portion |
| Non-Institutional Investors or NIIs | All Applicants, including sub accounts of FPIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than Rs. 200,000 (but not including NRIs other than Eligible NRIs) |
| Non-Institutional Category | The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the Prospectus and the Application Form |
| Non-Resident | A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs registered with SEBI and FVCIs registered with SEBI |
| OCB/Overseas Corporate Body | A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA |
| Offer for Sale | Public offer of such number of Equity Shares as disclosed in the RHP/Prospectus through an offer for sale by the Selling Shareholder |
| Other Investors | Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for. |
| PAN | Permanent Account Number allotted under the Income Tax Act, 1961 |
| Prospectus | The prospectus to be filed with the RoC in accordance with Section 60 of the Companies Act 1956 read with section 26 of Companies Act 2013, containing the Issue Price, the size of the Issue and certain other information |
| Public Issue Account | An account opened with the Banker to the Issue to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date |
| QIB Category Qualified Institutional Buyers or QIBs | The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis As defined under SEBI ICDR Regulations, 2009 |
| RTGS | Real Time Gross Settlement |
| Refund Account(s) Refund Bank(s) | The account opened with Refund Bank(s), from which refunds (excluding refunds to ASBA Bidders/ Applicants), if any, of the whole or part of the Application Amount may be made Refund bank(s) as disclosed in the Prospectus and Bid cum Application Form of the Issuer |
| Refunds through electronic transfer of funds | Refunds through NECS, Direct Credit, NEFT, RTGS or ASBA, as applicable |
| Registrar to the Issue/RTI | The Registrar to the Issue as disclosed in the Prospectus and Bid cum Application Form |
| Reserved Category/ Categories | Categories of persons eligible for making application under reservation portion |

| Term | Description |
|---|--|
| Reservation Portion | The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI ICDR Regulations, 2009 |
| Retail Individual Investors / RIIs | Investors who applies or for a value of not more than Rs. 200,000. |
| Retail Individual Shareholders | Shareholders of a listed Issuer who applies for a value of not more than Rs. 200,000. |
| Retail Category | The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum bid lot, subject to availability in RII category and the remaining shares to be allotted on proportionate basis. |
| Revision Form | The form used by the Applicant in an issue to modify the quantity of Equity Shares in an Application Forms or any previous Revision Form(s) |
| RoC | The Registrar of Companies |
| SEBI | The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992 |
| SEBI ICDR Regulations, 2009 | The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 |
| Self Certified Syndicate Bank(s) or SCSB(s) | A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html |
| SME IPO | Initial public offering as chapter XB of SEBI (ICDR) Regulation |
| SME Issuer | The Company making the Issue under chapter XB of SEBI (ICDR) Regulation |
| Stock Exchanges/SE | The stock exchanges as disclosed in the Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed |
| Underwriters | The Lead Manager(s) |
| Underwriting Agreement | The agreement dated entered into between the Underwriters and our Company |

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.

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 1 of 2015, with effect from May 12, 2015 ("Circular 1 of 2015"), consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP. The Government usually consolidates the circular on FDI Policy once every Year and therefore, Circular 1 of 2015 will be valid until the DIPP issues anew consolidated circular. However, the Government regularly issues press notes to amend and update the consolidated circulars. On the date of filing this prospectus the DIPP has already issued two press notes amending the consolidated circular 1 of 2015 on the FDI Policy. The current FID Policy prohibits foreign investment in the following sectors:

- a. Lottery Business including government and private lottery, online lotteries etc;
- b. Gambling and Betting including casinos;
- c. Chit funds;
- d. Nidhi Company;
- e. Real Estate Business or Construction of Farm Houses;
- f. Trading in Transferable Development Rights;
- g. Manufacturing of Cigars, Cheroots, Cigarillos and Cigarettes, of tobacco or of tobacco substitutes;
- h. Activities/sectors not open to private sector investment eg: Atomic Energy and Railway operations(other than permitted activities mentioned in the Consolidated FDI Policy)

The FDI Policy does allow up to 100% investment in the 'Construction Development: Townships, Housing, and Built-up Infrastructures' under the automatic route subject to the following conditions:

- a. Minimum area to be developed under each project is as under:
 - i. In case of development of serviced plots, no minimum land area requirement.
 - ii. In case of construction development projects, a minimum floor area of 20,000 sq. meter.
- b. The Investee company is required to bring minimum FDI of US\$ 5 million within six months of commencement of the project. The commencement of the project is the date of approval of the building plan/lay out plan by the relevant statutory authority. Subsequent tranches of FDI can be brought in for within a period of ten years from the commencement of the project or before the completion of project, whichever expires earlier.
- c. The investor is permitted to exit on completion of the project or after development of trunk infrastructure i.e. roads, water supply, street lighting, drainage and sewerage.
- d. The Government may, in view of facts and circumstances of a case, permit repatriation of FDI or transfer of stake by one non-resident investor to another non-resident investor, before the completion of project. These proposals will be considered by FIPB on case to case basis inter-alia with specific reference to Note (a).

- e. The Indian investee company will be responsible for obtaining all necessary approvals, including those of the building/layout plans, developing internal and peripheral areas and other infrastructure facilities, payment of development, external development and other charges and complying with all other requirements as prescribed under applicable rules/bye-laws/regulations of the State Government/Municipal/Local Body concerned.
- f. The project must conform to the norms and standards, including land use requirements and provision of community amenities and common facilities, as laid down in the applicable building control regulations, bye-laws, rules and other regulations of the State Government/Municipal/Local Body concerned.
- g. The Indian investee company will be permitted to sell only developed plots. For the purposes of this policy “developed plots” will mean plots where trunk infrastructure i.e. roads, water supply, street lighting, drainage and sewerage, have been made available.
- h. The Indian investee company shall be responsible for obtaining all necessary approvals, including those of the building/layout plans, developing internal and peripheral areas and other infrastructure facilities, payment of development, external development and other charges and complying with all other requirements as prescribed under applicable rules/bye-laws/regulations of the State Government/Municipal/Local Body concerned.

Note:

- a. FDI is not permitted in an entity engaged in or proposes to engage in real estate business, construction of farm houses and trading in transferable development rights.
- b. “Real estate business” means dealing in land and immovable property with a view to earning profit or earning income therefrom and does not include development of townships, construction of residential/ commercial premises, roads or bridges, educational institutions, recreational facilities, city and regional level infrastructure, townships.
- c. Conditions (a) to (d) above, do not apply to Hotels & Tourist Resorts, Hospitals, Special Economic Zones (SEZs), Educational Institutions, Old Age Homes and investment by NRIs.
- d. Conditions (a) and (b) above, also do not apply to investee/joint venture companies which commit at least 30 percent of the total project cost for low cost affordable housing.
- e. An Indian company, which is the recipient of FDI, shall procure a certificate from an architect empanelled by any Authority, authorized to sanction building plan to the effect that the minimum floor area requirement has been fulfilled.
- f. ‘Floor area’ will be defined as per the local laws/regulations of the respective State governments/Union territories.
- g. Completion of the project will be determined as per the local bye-laws/rules and other regulations of State Governments.
- h. Project using at least 40% of the FAR/FSI for dwelling unit of floor area of not more than 140 square meter will be considered as Affordable Housing Project for the purpose of FDI policy in Construction Development Sector. Out of the total FAR/FSI reserved for Affordable Housing, at least one-fourth should be for houses of floor area of not more than 60 square meter.
- i. 100% FDI under automatic route is permitted in completed projects for operation and management of townships, malls/ shopping complexes and business centres.

The FDI Policy also provides that investment by NRIs (*an individual resident outside of India who is a citizen of India or is an 'Overseas Citizen of India' cardholder within the meaning of Section 7A of the Citizenship Act, 1955 or a 'Person of Indian Origin' cardholder registered as such under Notification No.26011/4/98 F.I dated 19 August 2002, issued by the Central Government deemed to be an 'Overseas Citizen of India' cardholder*) under Schedule 4 of FEMA (Transfer or Issue of Securities by Persons Resident Outside India) Regulations, 2000 will be deemed to be domestic investments at par with the investment made by residents.

The transfer of shares between an Indian resident and a Non-resident does not require prior approval of FIPB or RBI, subject to fulfilment of certain conditions as specified by DIPP / RBI, from time to time. Such conditions include (i) the activities of the investee company are under the automatic route under the foreign direct investment ("FDI") Policy and the non-resident shareholding is within the sectorial limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. Investors are advised to refer to the exact text of the relevant statutory provisions of law before investing and / or subsequent purchase or sale transaction in the Equity Shares of Our Company.

The Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended (U.S. Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. Persons (as defined in Regulation S), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly the Equity Shares are being offered and sold only outside the United States in offshore transaction in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sale occur. However the Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. 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 to the Companies Act and the SEBI Regulations, the main provisions of our Articles relating, inter alia, 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 each provision herein below is numbered as per the corresponding article number in our Articles and capitalized/defined terms herein have the same meaning given to them in our Articles

| Sr. No | Particulars | |
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| 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 Sri Krishna Constructions (India) Limited | Company |
| | (f) “Executor” or “Administrator” means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession | Executor or Administrator |

| Sr. No | Particulars | |
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| | 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. | |
| (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 114 of the Act. | Ordinary and Special Resolution |
| (s) | "Person" shall be deemed to include corporations and firms as well as individuals. | Person |

| Sr. No | Particulars | |
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| | (t) "Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney. | Proxy |
| | (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 114 of 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, 2013 and 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 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. | |

| Sr. No | Particulars | |
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| 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 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 64 of the Act. | Increase of capital by the Company how carried into effect |
| 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) premia, 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 | Provisions to apply on issue of Redeemable Preference Shares |

| Sr. No | Particulars | |
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| | <p>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;</p> <p>(b) No such Shares shall be redeemed unless they are fully paid;</p> <p>(c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed;</p> <p>(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 55 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and</p> <p>(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</p> | |
| <p>10.</p> | <p>The Company may (subject to the provisions of sections 52, 55, 56, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce</p> <p>(a) the share capital;</p> <p>(b) any capital redemption reserve account; or</p> <p>(c) any security premium account</p> <p>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.</p> | <p>Reduction of capital</p> |
| <p>11.</p> | <p>Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be</p> | <p>Debentures</p> |

| Sr. No | Particulars | |
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| | 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. | |
| 12. | The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of 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 61 of 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 | Issue of Securities |

| Sr. No | Particulars | |
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| | issued under the Act and rules framed thereunder. | |
| | MODIFICATION OF CLASS RIGHTS | |
| 18. | <p>(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 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.</p> <p>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.</p> | Modification of rights |
| 19. | 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 at the disposal of the Directors. |

| Sr. No | Particulars | |
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| | shares and if so issued, shall be deemed to be fully paid shares. | |
| 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 subdivided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished. | Shares should be Numbered progressively and no share to be subdivided. |
| 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 | Liability of Members. |

| Sr. No | Particulars | |
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| | Company's regulations, require on date fixed for the payment thereof. | |
| 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 Sections 39 of 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 | Share Certificates. |

| Sr. No | Particulars | |
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| | <p>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.</p> <p>(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.</p> <p>(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.</p> | |
| 30. | <p>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.</p> <p>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</p> | <p>Issue of new certificates in place of those defaced, lost or destroyed.</p> |

| Sr. No | Particulars | |
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| | <p>in this behalf.</p> <p>The provisions of this Article shall mutatis mutandis apply to debentures of the Company.</p> | |
| 31. | <p>(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.</p> | <p>The first named joint holder deemed Sole holder.</p> |
| | <p>(b) The Company shall not be bound to register more than three persons as the joint holders of any share.</p> | <p>Maximum number of joint holders.</p> |
| 32. | <p>Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise 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.</p> | <p>Company not bound to recognise any interest in share other than that of registered holders.</p> |
| 33. | <p>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.</p> | <p>Installment on shares to be duly paid.</p> |
| | <p>UNDERWRITING AND BROKERAGE</p> | |
| 34. | <p>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</p> | <p>Commission</p> |

| Sr. No | Particulars | |
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| | allotment of fully or partly paid shares or partly in one way and partly in the other. | |
| 35. | The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful. | Brokerage |
| | CALLS | |
| 36. | <p>(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.</p> <p>(2) A call may be revoked or postponed at the discretion of the Board.</p> <p>(3) A call may be made payable by installments.</p> | Directors may make calls |
| 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 authorising 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. |

| Sr. No | Particulars | |
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| 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 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. | Proof on trial of suit for money due on shares. |
| 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 | Judgment, decree, partial payment motto proceed for forfeiture. |

| Sr. No | Particulars | |
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| | enforce forfeiture of such shares as hereinafter provided. | |
| 45. | <p>(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.</p> <p>(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 Company.</p> | Payments in Anticipation of calls may carry interest |
| | LIEN | |
| 46. | <p>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.</p> | Company to have Lien on shares. |

| Sr. No | Particulars | |
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| 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 authorise 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 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 | If call or installment not paid, notice may be given. |

| Sr. No | Particulars | |
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| | contained in the relevant exchange control laws or other applicable laws of India, for the time being in force. | |
| 50. | <p>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.</p> <p>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.</p> | 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 thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit. | Forfeited shares to be property of the Company and may be sold 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. |

| Sr. No | Particulars | |
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| 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 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. | Forfeiture may be remitted. |
| 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 | Validity of sale |

| Sr. No | Particulars | |
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| | 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. | |
| 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. | <p>(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.</p> <p>(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.</p> | Execution of the instrument of shares. |
| 63. | <p>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.</p> <p>The instrument of transfer shall be in a common form approved by the Exchange;</p> | 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, 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 | Transfer not to be registered except on production of instrument of transfer. |

| Sr. No | Particulars | |
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| | <p>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.</p> | |
| 65. | <p>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—</p> <p>(a) any transfer of shares on which the company has a lien.</p> <p>That registration of transfer shall however not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever;</p> | <p>Directors may refuse to register transfer.</p> |
| 66. | <p>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.</p> | <p>Notice of refusal to be given to transferor and transferee.</p> |
| 67. | <p>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.</p> | <p>No fee on transfer.</p> |
| 68. | <p>The Board of Directors shall have power on giving not less than seven days previous 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.</p> | <p>Closure of Register of Members or debentureholder or other security holders.</p> |
| 69. | <p>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 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</p> | <p>Custody of transfer Deeds.</p> |

| Sr. No | Particulars | |
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| | 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. | <p>(a) On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his 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.</p> <p>(b) Before recognising 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.</p> <p>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</p> <p>(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.</p> | 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 | Titles of Shares of deceased Member |

| Sr. No | Particulars | |
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| | <p>Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or 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 72 of the Companies Act.</p> | |
| 74. | <p>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.</p> | <p>Notice of application when to be given</p> |
| 75. | <p>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'.</p> | <p>Registration of persons entitled to share otherwise than by transfer. (transmission clause).</p> |
| 76. | <p>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.</p> | <p>Refusal to register nominee.</p> |
| 77. | <p>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</p> | <p>Board may require evidence of transmission.</p> |

| Sr. No | Particulars | |
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| | sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity. | |
| 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 no. SH-4 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. | <p>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, 2013 shall apply in respect of such nomination.</p> <p>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 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and</p> | Nomination |

| Sr. No | Particulars | |
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| | <p>Debentures) Rules, 2014</p> <p>iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.</p> <p>iv) If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.</p> | |
| <p>82.</p> | <p>A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-</p> <p>(i) to be registered himself as holder of the security, as the case may be; or</p> <p>(ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made;</p> <p>(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;</p> <p>(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.</p> <p>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.</p> | <p>Transmission of Securities by nominee</p> |
| | <p>DEMATERIALISATION OF SHARES</p> | |
| <p>83.</p> | <p>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.</p> | <p>Dematerialisation of Securities</p> |

| Sr. No | Particulars | |
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| | 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 |

| Sr. No | Particulars | |
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| 87. | <p>(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.</p> <p>(b) Not more than one person shall be recognized as depositor of the Share warrant.</p> <p>(c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.</p> | Deposit of share warrants |
| 88. | <p>(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.</p> <p>(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.</p> | 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. | <p>The Company may, by ordinary resolution in General Meeting.</p> <p>a) convert any fully paid-up shares into stock; and</p> <p>b) re-convert any stock into fully paid-up shares of any denomination.</p> | 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 | Transfer of stock. |

| Sr. No | Particulars | |
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| | amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose. | |
| 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 "share" and "shareholders" in those regulations shall include "stock" and "stockholders" respectively. | Regulations. |
| | BORROWING POWERS | |
| 94. | <p>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</p> <p>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.</p> | 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 | Issue of discount etc. or with special privileges. |

| Sr. No | Particulars | |
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| | the Company in General Meeting. | |
| 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 be. | Securing payment or repayment of Moneys borrowed. |
| 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 | Distinction between AGM & EGM. |

| Sr. No | Particulars | |
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| | General Meetings. | |
| 101. | (a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members | 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 | Chairman with consent may adjourn meeting. |

| Sr. No | Particulars | |
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| | <p>meeting other than the business left unfinished at the meeting from which the adjournment took place.</p> <p>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.</p> <p>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.</p> | |
| 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 | Number of votes each member entitled. |

| Sr. No | Particulars | |
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| | (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. | |
| 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 shall vote only once. | E-Voting |
| 115. | <p>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.</p> <p>b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.</p> | 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 Authorised as mentioned in Articles | Votes may be given by proxy or by representative |

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| 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) authorise 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 authorised 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 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. | Votes in respect of shares of deceased or insolvent members. |
| 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 Authorised 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 | No votes by proxy on show of hands. |

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| | authority of the appointment. | |
| 121. | The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid. | 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 notwithstanding 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 voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive. | Chairperson of the Meeting to be 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. | A Director of the Company shall not be bound to hold any Qualification Shares in the Company. | Qualification shares. |

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| 128. | <p>(a) Subject to the provisions of the Companies Act, 2013 and 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</p> <p>(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.</p> <p>(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.</p> <p>(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 appointing him/them as such Director/s.</p> | Nominee Directors. |
| 129. | 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. |
| 130. | 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 upto the date of | Additional Director |

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| | the next Annual General Meeting. | |
| 131. | 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 upto the date upto 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. |
| 132. | 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. |
| 133. | 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 | |
| 134. | (a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit. (b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board. | Meetings of Directors. |
| 135. | 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 | Chairperson |

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| | same time. | |
| 136. | 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. |
| 137. | 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 |
| 138. | 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. |
| 139. | 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. |
| 140. | a) A committee may elect a Chairperson of its meetings. b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting. | Chairperson of Committee Meetings |
| 141. | 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 |

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| 142. | 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 | |
| 143. | 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 | |
| 144. | 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 |
| 145. | 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 | To acquire any property , rights etc. |

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| | Company is authorised to carry on, in any part of India. | |
| | (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 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. | To insure properties of the Company. |
| | (6) To open accounts with any Bank or Bankers and to pay money into and draw money from any such | To open Bank accounts. |

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| | account from time to time as the Directors may think fit. | |
| | (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 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 realise such investments. Save as provided in Section 187 of the Act, all investments shall be | To invest and deal with money of the Company. |

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| | made and held in the Company's own name. | |
| | (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 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 179 of 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 | Transfer to Reserve Funds. |

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| | <p>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.</p> | |
| | <p>(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.</p> | <p>To appoint and remove officers and other employees.</p> |
| | <p>(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 the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject</p> | <p>To appoint Attorneys.</p> |

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| | 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 Sections 40 of the Act and of the provisions contained in these | To pay commissions or interest. |

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| | 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, | |

| Sr. No | Particulars | |
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| | <p>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.</p> <p>(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.</p> <p>(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.</p> <p>(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.</p> <p>(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.</p> <p>(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.</p> <p>(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.</p> | |
| | MANAGING AND WHOLE-TIME DIRECTORS | |
| 146. | a) Subject to the provisions of the Act and of these | Powers to appoint |

| Sr. No | Particulars | |
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| | <p>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 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.</p> <p>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.</p> | <p>Managing/ Directors.</p> <p>Wholetime</p> |
| 147. | <p>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.</p> | <p>Remuneration of Managing or Wholetime Director.</p> |
| 148. | <p>(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.</p> <p>(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</p> | <p>Powers and duties of Managing Director or Whole-time Director.</p> |

| Sr. No | Particulars | |
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| | <p>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.</p> <p>(3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles.</p> <p>(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.</p> <p>(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.</p> | |
| | Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer | |
| 149. | <p>a) Subject to the provisions of the Act,—</p> <p>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 think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;</p> <p>ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.</p> <p>b) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or</p> | Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer |

| Sr. No | Particulars | |
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| | 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. | |
| | THE SEAL | |
| 150. | <p>(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.</p> <p>(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.</p> | The seal, its custody and use. |
| 151. | 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 | |
| 152. | <p>(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.</p> <p>(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.</p> <p>(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</p> | Division of profits. |

| Sr. No | Particulars | |
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| | share shall rank for dividend accordingly. | |
| 153. | 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. |
| 154. | <p>a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.</p> <p>b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</p> | Transfer to reserves |
| 155. | 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. |
| 156. | 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. |
| 157. | 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. |
| 158. | 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. |

| Sr. No | Particulars | |
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| 159. | 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 . |
| 160. | 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 to the Company. | No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof. |
| 161. | 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. |
| 162. | 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. |
| 163. | <p>a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.</p> <p>b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</p> | Dividends how remitted. |
| 164. | 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. |
| 165. | No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company. | No interest on Dividends. |
| | CAPITALIZATION | |
| 166. | <p>(1) The Company in General Meeting may, upon the recommendation of the Board, resolve:</p> <p>(a) that it is desirable to capitalize any part of the</p> | Capitalization. |

| Sr. No | Particulars | |
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| | <p>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</p> <p>(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.</p> <p>(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:</p> <p>(i) paying up any amounts for the time being unpaid on any shares held by such members respectively;</p> <p>(ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or</p> <p>(iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).</p> <p>(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.</p> <p>(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.</p> | |
| 167. | <p>(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall —</p> <p>(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and</p> <p>(b) generally to do all acts and things required to give effect thereto.</p> <p>(2) The Board shall have full power -</p> <p>(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</p> <p>(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with</p> | Fractional Certificates. |

| Sr. No | Particulars | |
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| | <p>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.</p> <p>(3) Any agreement made under such authority shall be effective and binding on all such members.</p> <p>(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 including distribution of new equity shares and fractional certificates as they think fit.</p> | |
| 168. | <p>(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.</p> <p>(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.</p> | Inspection of Minutes Books of General Meetings. |
| 169. | <p>a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.</p> <p>b) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.</p> | Inspection of Accounts |
| | FOREIGN REGISTER | |

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| 170. | 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 | |
| 171. | Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised 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. |
| 172. | 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 Authorised Officer of the Company and need not be under the Common Seal of the Company. | Authentication of documents and proceedings. |
| | WINDING UP | |
| 173. | <p>Subject to the provisions of Chapter XX of the Act and rules made thereunder—</p> <p>(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.</p> <p>(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.</p> <p>(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.</p> | |
| | INDEMNITY | |
| 174. | 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 | Directors' and others right to indemnity. |

| Sr. No | Particulars | |
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| | <p>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 463 of the Act on which relief is granted to him by the Court.</p> | |
| 175. | <p>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 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.</p> | Not responsible for acts of others |
| | SECRECY | |
| 176. | <p>(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</p> | Secrecy |

| Sr. No | Particulars | |
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| | <p>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.</p> | |
| | <p>(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.</p> | <p>Access to property information etc.</p> |

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this 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 No.1, 4th Main Road, Nehru Circle, Sheshadripuram Bangalore- 560 020, Karnataka. from date of filing this Prospectus with RoC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

Material Contracts

1. Issue Agreement dated July 02, 2015 between our Company and the Lead Manager.
2. Agreement dated June 30, 2015 between our Company and Bigshare Services Private Limited, Registrar to the Issue.
3. Underwriting Agreement dated July 02, 2015 between our Company and Underwriter viz. Lead Manager.
4. Market Making Agreement dated July 02, 2015 between our Company, Market Maker and the Lead Manager.
5. Escrow Agreement dated July 02, 2015 amongst our Company, the Lead Manager, Escrow Collection Bank and the Registrar to the Issue.
6. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated July 6, 2015.
7. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated July 1, 2015.

Material Documents

1. Certified true copy of the Memorandum and Articles of Association of our Company including certificates of incorporation.
2. Resolution of the Board dated June 22, 2015 authorizing the Issue
3. Special Resolution of the shareholders passed at the EGM dated June 22, 2015 authorizing the Issue.
4. Statement of Tax Benefits dated July 02, 2015 issued by our Peer Review Auditor R T Jain & Co.; Chartered Accountants.
5. Report of the Peer Review Auditor, M/s R. T. Jain & Co., Chartered Accountants dated July 02, 2015 on the Restated Financial Year ended as on March 31, 2015, 2014, 2013, 2012 & 2011 of our Company.
6. Consents of Directors, Company Secretary and Compliance Officer, Statutory Auditors, Peer Review Auditors, Legal Advisor to the Issue, the Lead Manager, Registrar to the Issue, Underwriter, Market Maker, Bankers to the Issue / Escrow Collection Banks, Refund Banker to the Issue, to act in their respective capacities.
7. Copy of approval from BSE Limited *vide* letter dated August 04, 2015, to use the name of BSE in this offer document for listing of Equity Shares on SME Platform of BSE Limited.
8. Due Diligence Certificate dated July 07, 2015 from Lead Manager to BSE Limited.



9. Copy of the agreement dated June 26, 2015 for appointing Kailash Dubal as Managing Director of our Company.

None of the contracts or documents mentioned in this Prospectus may be amended or modified at any time without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We, the under signed, hereby certify and declare that, all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the regulations / guidelines issued by SEBI, as the case may be, have been complied with and no statement made in the Prospectus is contrary to the provisions of the Companies Act, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations / guidelines issued, as the case may be. We further certify that all the disclosures and statements made in the Prospectus are true and correct.

Signed by all the Directors of our Company

| Name and designation | Signature |
|---|-----------|
| Kailash Dubal <i>Chairman & Managing Director</i> | Sd/- |
| Jignesh Dubal <i>Director</i> | Sd/- |
| Bhavika Dubal <i>Director</i> | Sd/- |
| Sunil Surana <i>Non-Executive Director</i> | Sd/- |
| Pradeepa Danasale <i>Independent Director</i> | Sd/- |
| Rashotam Devale <i>Independent Director</i> | Sd/- |
| M L Soneji <i>Independent Director</i> | Sd/- |
| Vivek Shah <i>Independent Director</i> | Sd/- |

Signed by Chief Financial Officer and Company Secretary & Compliance Officer of the Company

Sd/-
Jignesh Dubal
Chief Financial Officer

Sd/-
Barun Pandey
Company Secretary & Compliance Officer

Place: **Bangalore**

Date: **September 04, 2015**

Annexure A

DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED

| Sr. No | Issue Name | Issue Size (Cr) | Issue Price (Rs.) | Listing date | Opening price on listing date | Closing price on listing date | % change in price on listing date (closing) vs issue price | Benchmark index on listing date (closing) | Closing price as on 10th calendar day from listing day | Benchmark index as on 10th calendar day from listing day (closing) | Closing price as on 20th calendar day from listing day | Benchmark index as on 20th calendar day from listing day (closing) | Closing price as on 30th calendar day from listing day | Benchmark index as on 30th calendar day from listing day (closing) |
|--------|--------------------------------------|-----------------|-------------------|-------------------|-------------------------------|-------------------------------|--|---|--|--|--|--|--|--|
| 1. | Si. Vi. Shipping Corporation Limited | 6.85 | 25.00 | March 06, 2014 | 26.10 | 26.10 | 4.40 | 21,513.87 | 36.15 | 21,832.61 | 34.80 | 22,095.30 | 35.00 | 22,343.45 |
| 2. | Women's Next Loungeries Limited | 6.50 | 65.00 | April 21, 2014 | 67.00 | 67.50 | 3.85 | 22,764.83 | 70.00 | 22,403.89 | 70.00 | 23,551.00 | 71.00 | 24,298.02 |
| 3 | Ultracab (India) Limited | 7.97 | 36.00 | October 10, 2014 | 38.00 | 38.05 | 5.69 | 26,297.38 | 38.25 | 26,429.85 | 38.00 | 26,429.85 | 39.00 | 27,346.33 |
| 4. | Momai Apparels Limited | 30.00 | 78.00 | October 16, 2014 | 78.00 | 79.70 | 2.18 | 7,748.20 | 86.15 | 79,91.70 | 86.15 | 8,338.30 | 81.00 | 8,430.75 |
| 5. | Jet Infraventur e Limited | 4.50 | 125.00 | November 25, 2014 | 130.00 | 129.10 | 3.28 | 28,338.05 | 127.15 | 28,458.10 | 127.90 | 27,319.56 | 128.00 | 27,241.78 |
| 6 | Supreme | 7.87 | 60.00 | March 31, | 62.00 | 61.30 | 2.17 | 8491.00 | 62.50 | 8780.35 | 61.00 | 8448.10 | 62.50 | 8181.50 |

| Sr. No | Issue Name | Issue Size (Cr) | Issue Price (Rs.) | Listing date | Opening price on listing date | Closing price on listing date | % change in price on listing date (closing) vs issue price | Benchmark index on listing date (closing) | Closing price as on 10th calendar day from listing day | Benchmark index as on 10th calendar day from listing day (closing) | Closing price as on 20th calendar day from listing day | Benchmark index as on 20th calendar day from listing day (closing) | Closing price as on 30th calendar day from listing day | Benchmark index as on 30th calendar day from listing day (closing) |
|--------|--|-----------------|-------------------|----------------|-------------------------------|-------------------------------|--|---|--|--|--|--|--|--|
| | (India) Impex Limited | | | 2015 | | | | | | | | | | |
| 7 | Filtra Consultants and Engineers Limited | 3.11 | 42.00 | April 15, 2015 | 42.80 | 44.90 | 6.90 | 28,799.69 | 42.00 | 27,176.99 | 42.00 | 27,440.14 | 43 | 27,324.00 |
| 8 | Ambition Mica Limited | 4.29 | 40.00 | July 14, 2015 | 45.00 | 45.15 | 12.88 | 27,986.92 | 43.00 | 28,112.31 | 46.00 | 28,187.06 | 44.5 | 27,549.53 |
| 9 | Jiya Eco-Products Limited | 4.58 | 19.00 | July 16, 2015 | 21.75 | 21.00 | 10.53 | 28,259.70 | 19.70 | 27,561.38 | 21.85 | 28,223.08 | 27.90 | 27,878.27 |
| 10 | M.D. Inducto Cast Limited | 17.23 | 27.00 | July 16, 2015 | 28.10 | 29.50 | 9.26 | 28,259.70 | 35.40 | 27,561.38 | 39.00 | 28,223.08 | 40.05 | 27,878.27 |
| 11 | Majestic Research Services and | 1.428 | 12.75 | July 16, 2015 | 14.00 | 14.70 | 15.29 | 28,259.70 | 22.50 | 27,705.35 | 35.90 | 28,223.08 | 41.45 | 27,831.54 |

| Sr. No | Issue Name | Issue Size (Cr) | Issue Price (Rs.) | Listing date | Opening price on listing date | Closing price on listing date | % change in price on listing date (closing) vs issue price | Benchmark index on listing date (closing) | Closing price as on 10th calendar day from listing day | Benchmark index as on 10th calendar day from listing day (closing) | Closing price as on 20th calendar day from listing day | Benchmark index as on 20th calendar day from listing day (closing) | Closing price as on 30th calendar day from listing day | Benchmark index as on 30th calendar day from listing day (closing) |
|--------|------------------------|-----------------|-------------------|-----------------|-------------------------------|-------------------------------|--|---|--|--|--|--|--|--|
| | Solutions Limited | | | | | | | | | | | | | |
| 12 | Mangalam Seeds Limited | 5.70 | 50.00 | August 12, 2015 | 55.00 | 57.75 | 15.50 | 27,512.26 | 53.50 | 25,741.56 | 55.00 | 25,453.56 | NA | NA |

Sources: All share price data is from www.bseindia.com and www.nseindia.com

Note:-

1. The BSE Sensex and CNX Nifty are considered as the Benchmark Index
2. Prices on BSE/NSE are considered for all of the above calculations
3. In case 10th/20th/30th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered

SUMMARY STATEMENT OF DISCLOSURE

| Financial year | Total no. of IPO | Total funds raised (Rs. Cr) | Nos of IPOs trading at discount on listing date | | | Nos of IPOs trading at Premium on listing date | | | Nos of IPOs trading at discount on 30 th Calendar day from listing date | | | Nos of IPOs trading at premium on 30 th 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% |
| 13-14 | 1 | 6.85 | - | - | - | - | - | 1 | - | - | - | - | 1 | - |
| 14-15 | **5 | 56.84 | - | - | - | - | - | 5 | - | - | - | - | - | 5 |
| 15-16 | ***6 | 36.34 | | | | | | 6 | - | - | - | 1 | 2 | #2 |

*The scripts of Si. Vi. Shipping Corporation Limited was listed on March 6, 2014.

**The scripts of Women's Next Loungeries Limited, Ultracab (India) Limited, Momai Apparels Limited, Jet Infraventure Limited and Supreme(India) Impex Limited were listed on April 21, 2014, October 10, 2014, October 16, 2014, November 25, 2014, and March 31, 2015

***The Scripts of Filtra Consultants and Engineers Limited & Ambition Mica Limited, Jiya Eco-Produtcs Limited, M.D. Inducto Cast Limited and Majestic Research Services and Solutions Limited and Mangalam Seeds Limited were listed on April 15, 2015 and July 14, 2015, July 16, 2015, July 16, 2015, July 16, 2015 and August 12, 2015.

Scrips of Mangalam Seeds Limited is yet to complete 30 calendar days from the date of Listing.