



## SUPERSHAKTI METALIKS LIMITED

CIN: U28910WB2012PLC189128

Our Company was incorporated as Quentz Dealtrade Private Limited on December 12, 2012 under the Companies Act, 1956, as private limited company, with the Registrar of Companies, West Bengal bearing Registration No. 189128. The name of our Company was changed to Supershakti Metaliks Private Limited pursuant to shareholders resolution passed on October 22, 2014 and a fresh Certificate of Incorporation pursuant to change of name issued by the Assist. Registrar of Companies, Kolkata on November 12, 2014. Subsequently, pursuant to resolution of shareholders on April 06, 2018, our Company was converted to a public limited company and the name of our Company was further changed to Supershakti Metaliks Limited. A fresh certificate of incorporation consequent on change of name was granted to our Company on May 03, 2018, by the Registrar of Companies, Kolkata. The Corporate Identity Number of our Company is U28910WB2012PLC189128. For further details pertaining to the change of name of our Company and the change in Registered Office, please refer the chapter “History and Certain Corporate Matters” on page no. 114 of this Prospectus.

**Registered Office:** 39, Shakespeare Sarani, 3rd Floor, Kolkata, West Bengal - 700017  
**Tel No.:** +91 33 2289 2734/35; **Fax No.:** +91 33 2289 2736; **Email:** info@ssml.in; **Website:** www.supershaktimetaliiks.com  
**Contact Person:** Mr. Navin Agarwal, Company Secretary and Compliance Officer  
**Our Promoters:** Mr. Dilipp Agarwal, Mr. Deepak Agarwal, Veerbhadra Sales Private Limited & Khandelwal Finance Private Limited

THE ISSUE	
<b>PUBLIC ISSUE OF 16,00,200 EQUITY SHARES OF ₹ 10/- EACH (“EQUITY SHARES”) OF SUPERSHAKTI METALIKS LIMITED (“SML” OR THE “COMPANY”) FOR CASH AT A PRICE OF ₹ 375/- PER SHARE (THE “ISSUE PRICE”), AGGREGATING TO ₹ 6,000.75 LAKHS (“THE ISSUE”) CONSISTING OF FRESH ISSUE OF 8,00,200 EQUITY SHARES AGGREGATING TO ₹ 3,000.75 LAKHS AND AN OFFER FOR SALE OF 8,00,000 EQUITY SHARES BY THE SELLING SHAREHOLDERS AGGREGATING TO ₹ 3,000.00 LAKHS (“OFFER FOR SALE”), OF WHICH 80,400 EQUITY SHARES OF ₹ 10/- EACH WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 15,19,800 EQUITY SHARES OF ₹ 10/- EACH IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 27.77% AND 26.37%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY.</b>	
<b>THE FACE VALUE OF THE EQUITY SHARE IS ₹ 10 AND THE ISSUE PRICE IS 37.50 TIMES OF THE FACE VALUE</b>	
<b>THIS ISSUE IS BEING MADE IN TERMS OF CHAPTER XB OF THE SEBI (ICDR) REGULATIONS, 2009 AS AMENDED.</b> <i>For further details see “Issue Related Information” beginning on page no.206 of this Prospectus.</i>	
In terms of the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount (“ASBA”) process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. For details in this regard, specific attention is invited to “Issue Procedure” on page no. 214 of this Prospectus. A copy will be delivered for registration to the Registrar of Companies as required under Section 26 & 28 of the Companies Act, 2013.	
RISK IN RELATION TO THE FIRST ISSUE	
This being the first public issue of the Company, there has been no formal market for the Equity Shares. The Issue Price (determined and justified by our Company and the Selling Shareholders in consultation with the Lead Manager) stated under “Basis for Issue Price” beginning on page no. 74 of this Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.	
GENERAL RISK	
Investment in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the 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 the issue. For taking an investment decision, investors must rely on their own examination of our Company and the issue, including the risks involved. The Equity Shares 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. <b>Specific attention of the investors is invited to “Risk Factors” beginning on page no. 14 of this Prospectus.</b>	
COMPANY’S AND SELLING SHAREHOLDER’S ABSOLUTE RESPONSIBILITY	
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this 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. Each Selling Shareholder, severally and not jointly, assumes responsibility only for statements in relation to such Selling Shareholders included in this Offer Document.	
LISTING	
The Equity Shares offered through this Prospectus are proposed to be listed on the SME Platform of BSE Limited (“BSE”). Our Company has received an in-principle approval letter dated June 22, 2018 from BSE for listing our shares on the SME Platform of the BSE. For the purposes of the Issue, the Designated Stock Exchange shall be the BSE Limited (“BSE”).	
LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
<b>ARYAMAN FINANCIAL SERVICES LIMITED</b> 60, Khatau Building, Ground Floor Alkesh Dinesh Modi Marg, Fort, Mumbai – 400 001 <b>Tel No.:</b> +91 22 6216 6999 <b>Fax No.:</b> +91 22 2263 0434 <b>Email:</b> ipo@afsl.co.in <b>Website:</b> www.afsl.co.in <b>Investor Grievance Email:</b> feedback@afsl.co.in <b>Contact Person:</b> Mr. Vatsal Ganatra <b>SEBI Registration No.:</b> INM000011344	<b>BIGSHARE SERVICES PRIVATE LIMITED</b> 1 <sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis Makwana Road, Marol, Andheri (East), Mumbai – 400 059 <b>Tel. No.:</b> +91 22 4043 8200 <b>Fax No.:</b> +91 22 6263 8299 <b>E-mail:</b> ipo@bigshareonline.com <b>Website:</b> www.bigshareonline.com <b>Investor Grievance Email:</b> investor@bigshareonline.com <b>Contact Person:</b> Mr. Nilesh Chalke <b>SEBI Registration No.:</b> INR000001385
ISSUE OPENS ON	ISSUE CLOSES ON
<b>July 17, 2018</b>	<b>July 20, 2018</b>

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

#### General Terms

Term	Description
Supershakti Metaliks Limited / SML / the Company / Company / We / Us / Our Company	Unless the context otherwise indicates or implies refers to Supershakti Metaliks Limited, a public limited company incorporated under the provisions of the Companies Act, 1956 with its registered office in the Kolkata, West Bengal.
Promoter(s)	The Promoters of our company: <ul style="list-style-type: none"> <li>• Mr. Dilipp Agarwal</li> <li>• Mr. Deepak Agarwal</li> <li>• Veerbhadra Sales Private Limited</li> <li>• Khandelwal Finance Private Limited</li> </ul>
Promoter Group	Such persons, entities and companies constituting our promoter group pursuant to Regulation 2(1)(zb) of the SEBI ICDR Regulations as disclosed in the Chapter titled “Our Promoter and Promoter Group” on page no. 131 of this Prospectus.

#### Company Related Terms

Term	Description
Articles / Articles of Association	Unless the context otherwise requires, refers to the Articles of Association of Supershakti Metaliks Limited.
Auditor of the Company (Statutory Auditor / Peer Review Auditor)	M/s. Singhi & Co., Chartered Accountants, having their office at 161, Sarat Bose Road, Kolkata – 700 026.
Audit Committee	The committee of the Board of Directors constituted on May 10, 2018 as our Company’s Audit Committee in accordance with Section 177 of the Companies Act, 2013
Board of Directors / Board	The Board of Directors of Supershakti Metaliks Limited, including all duly constituted Committees thereof.
Company Secretary and Compliance Officer	Mr. Navin Agarwal
Demerged Company	Super Smelters Limited
Director(s)	Director(s) of Supershakti Metaliks Limited, unless otherwise specified
Equity Shares	Equity Shares of our Company of Face Value of ₹ 10 each unless otherwise specified in the context thereof.
Equity Shareholders	Persons holding Equity Share of our Company
Key Management Personnel / KMP	Individuals described in the chapter titled “Our Management” on page no. 118 of this Prospectus
MOA / Memorandum / Memorandum of Association	Memorandum of Association of Supershakti Metaliks Limited.
Nomination and Remuneration Committee	The committee of the Board of Directors constituted on May 10, 2018 as our Company’s Nomination and Remuneration Committee in accordance with Section 178 of the Companies Act, 2013
Registered Office	The Registered Office of our company which is located at 39, Shakespeare Sarani, 3 <sup>rd</sup> Floor, Kolkata - 700017.
Registrar of Companies / RoC	Registrar of Companies, West Bengal situated at Nizam Palace, 2 <sup>nd</sup> MSO Building, 2 <sup>nd</sup> Floor, 234/4, A.J.C. Bose Road, Kolkata – 700020.
Restated Financial Statements	The restated financial statements of our Company for the Financial Years ended March 31, 2018, 2017, 2016, 2015 and 2014 which comprises the restated balance sheet, the restated statement of profit and loss and the restated cash flow statement,

Term	Description
	together with the annexure and notes thereto, which have been prepared in accordance with the Companies Act, Indian GAAP, and restated in accordance with the SEBI ICDR Regulations.
Scheme Arrangement Demerger of for	The Scheme of Arrangement for Demerger under Section 391 to 394 and Sections 100 to 103 of the Companies Act, 1956 amongst Super Smelters Limited (“The Demerged Company”), their respective shareholders and our Company, as sanctioned by the Order of Hon’ble High Court of judicature at Calcutta dated 14th June, 2016.
Stakeholders’ Relationship Committee	The committee of the Board of Directors constituted on May 10, 2018 as our Company’s Stakeholders’ Relationship Committee in accordance with Section 178 of the Companies Act, 2013.
Stock Exchange	Unless the context requires otherwise, refers to, the SME Platform of BSE Limited.

#### Issue Related Terms

Term	Description
Abridged Prospectus	Abridged Prospectus to be issued under Regulation 58 of SEBI ICDR Regulations and appended to the Application Form
Allotment	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Issue to the successful Bidders, including transfer of the Equity Shares pursuant to the Issue to the successful applicants
Allotment Advice	Note, advice or intimation of Allotment sent to the Applicants who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee(s)	The successful applicant to whom the Equity Shares are being / have been Allotted.
Applicant	Any prospective investor who makes an application for Equity Shares in terms of this Prospectus.
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of the Company
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by ASBA Applicant to make an Application authorizing an SCSB to block the Application Amount in the specified Bank Account maintained with such SCSB. ASBA is mandatory for all Applicants participating in the Issue.
ASBA Account	A bank account maintained with an SCSB and specified in the ASBA Form submitted by the Applicants for blocking the Application Amount mentioned in the ASBA Form.
ASBA Applicant(s)	Any prospective investor who makes an Application pursuant to the terms of the Prospectus and the Application Form.
ASBA Application / Application	An indication to make an issue during the Bid/ Issue Period by an Applicant pursuant to submission of the Application Form, to subscribe to the Equity Shares at a price as mentioned in the Prospectus, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations in terms of the Prospectus and Application Form.
Banker(s) to the Company	Such banks which are disclosed as Bankers to our Company in the chapter titled “General Information” on page no. 47 of this Prospectus.
Banker(s) to the Issue	The banks which are Clearing Members and registered with SEBI as Banker to an Issue with whom the Escrow Agreement is entered and in this case being Axis Bank Limited.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue and which is described in the chapter titled “Issue Procedure” beginning on page no. 214 of this Prospectus.
Business Day	Monday to Friday (except public holidays)
CAN / Confirmation of Allocation Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
Collecting Depository Participant(s) or CDP(s)	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular No. GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.

Term	Description
Controlling Branches	Such Branches of the SCSBs which co-ordinate Applications by the Applicants with the Registrar to the Issue and the Stock Exchanges and a list of which is available at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> 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	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996 i.e. CDSL and NSDL
Depositories Act	The Depositories Act, 1996, as amended from time to time
Designated Date	The date on which the funds blocked by the SCSBs are transferred from the ASBA Accounts specified by the Applicants to the Public Issue Account.
Designated Intermediaries / Collecting Agent	Syndicate Members, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and RTAs, who are authorized to collect Application Forms from the Applicants, in relation to the Issue.
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange.
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange.
Designated Market Maker	Aryaman Capital Markets Limited (formerly known as Aryaman Broking Limited) will act as the Market Maker and has agreed to receive or deliver 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 amendment to SEBI ICDR Regulations.
Designated SCSB Branches	Such Branches of the SCSBs which shall collect the Application Forms used by the Applicants applying through the ASBA process and a list of which is available on <a href="http://www.sebi.gov.in/pmd/scsb.pdf">http://www.sebi.gov.in/pmd/scsb.pdf</a>
Designated Stock Exchange	SME Platform of BSE Limited
Draft Prospectus	The Draft Prospectus dated May 30, 2018 issued in accordance with the SEBI ICDR Regulations.
Eligible NRIs	An NRI from such a jurisdiction outside India where it is not unlawful to make an Issue or invitation under this Issue and in relation to whom the Application Form and the Prospectus will constitutes an invitation to purchase the Equity Shares.
Escrow Agreement	Agreement entered into amongst the Company, the Lead Manager, the Selling Shareholders, the Registrar and the Banker to the Issue to receive monies from the Applicants through the SCSBs Bank Account on the Designated Date in the Public Issue Account.
Foreign Portfolio Investor / FPIs	Foreign Portfolio Investor as defined under the SEBI (Foreign Portfolio Investors) Regulations, 2014.
Fresh Issue	The fresh issue of 8,00,200 Equity Shares by our Company of ₹ 10/- each for cash at a price of ₹ 375/- per equity share, aggregating to ₹ 3,00,75 lakhs, to be issued by our Company for subscription pursuant to the terms of this Prospectus.
Fresh Issue Proceeds	Gross proceeds to be raised through the Fresh Issue. For further details, please refer the chapter “ <i>Objects of the Issue</i> ” on page no. 67 of this Prospectus.
Issue / Issue Size / Public Issue / IPO	This Initial Public Issue of 16,00,200 Equity Shares of ₹ 10/- each for cash at a price of ₹ 375/- per equity share, aggregating to ₹ 6,00,75 lakhs by the Company and the Selling Shareholders.
Issue Closing date	The date on which the Issue closes for subscription being July 20, 2018.
Issue Opening date	The date on which the Issue opens for subscription being July 17, 2018.
Issue Price	The price at which the Equity Shares are being issued by our Company and the Selling Shareholders in consultation with the Lead Manager, under this Prospectus being ₹ 375/-.
LM / Lead Manager	Lead Manager to the Issue, in this case being Aryaman Financial Services Limited.



Term	Description
Listing Agreement / Equity Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and the BSE.
Market Maker Reservation Portion	The reserved portion of 80,400 Equity Shares of ₹ 10/- each at ₹ 375/- per Equity Share aggregating to ₹ 301.50 lakhs for the Designated Market Maker in the Public Issue of our Company.
Market Making Agreement	The Agreement among the Market Maker, the Lead Manager and our Company dated May 10, 2018 and addendum dated June 21, 2018.
Mutual Fund	A Mutual Fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended.
Non-Institutional Applicant	All Applicants, including Eligible QFIs, sub accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or Retail Individual Applicants and who have applied for Equity Shares for an amount of more than ₹ 2,00,000 (but not including NRIs other than Eligible NRIs)
Net Issue	The Net Issue of 15,19,800 Equity Shares of ₹ 10/- each at ₹ 375/- per Equity Share aggregating to ₹ 5,699.25 lakhs by the Company and the Selling Shareholders.
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, Eligible QFIs, FIIs registered with SEBI and FVCIs registered with SEBI.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Public Issue Account	Account opened with Bankers to the Issue for the purpose of transfer of monies from the SCSBs from the ASBA accounts on the Designated Date.
Qualified Foreign Investors / QFIs	Non-resident investors other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs who meet 'know your client' requirements prescribed by SEBI.
Qualified Institutional Buyers / QIBs	Public financial institutions as defined in Section 2(72) of the Companies Act, 2013, Foreign Portfolio Investor other than Category III Foreign Portfolio Investor, AIFs, VCFs, FVCIs, Mutual Funds, multilateral and bilateral financial institutions, scheduled commercial banks, state industrial development corporations, insurance companies registered with the IRDA, provident funds and pension funds with a minimum corpus of ₹ 250 million, insurance funds set up and managed by the army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, Government of India, eligible for Bidding and does not include FVCIs and multilateral and bilateral institutions.
Registrar and Share Transfer Agents/RTAs	Registrar and Share Transfer Agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Registrar / Registrar to the Issue	Registrar to the Issue being Bigshare Services Private Limited.
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than ₹ 2,00,000.
Self Certified Syndicate Bank(s) / SCSBs	A Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and Issues the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at <a href="http://www.sebi.gov.in/pmd/scsb.pdf">http://www.sebi.gov.in/pmd/scsb.pdf</a> .
Selling Shareholders	The Selling Shareholders of the Initial Public Offer are: <ul style="list-style-type: none"> <li>• Mr. Sitaram Agarwal;</li> <li>• Mrs. Sabita Agarwal;</li> <li>• Mrs. Vibha Agarwal;</li> <li>• Mrs. Priti Agarwal;</li> <li>• M/s. Deepak Agarwal (HUF);</li> <li>• M/s. Dilipp Agarwal (HUF);</li> <li>• M/s. Sitaram Agarwal (HUF);and</li> <li>• Crawford Plantations Private Limited</li> </ul>
Share Escrow Agent	Share Escrow agent appointed pursuant to the Share Escrow Agreement, being

Term	Description
	Bigshare Services Private Limited.
Share Escrow Agreement	Agreement dated June 05, 2018 entered into between the Selling Shareholders, our Company, the Escrow Agent and the Lead Manager in connection with the transfer of Equity Shares under the Issue for Sale by the Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees.
SME Platform	SME Platform of BSE Limited, approved by SEBI as an SME Exchange for listing of equity shares Issued under Chapter XB of the SEBI ICDR Regulations.
TRS / Transaction Registration Slip	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the Applicant, as proof of registration of the Application.
Underwriters	Aryaman Financial Services Limited and Aryaman Capital Markets Limited.
Underwriting Agreement	The Agreement among the Underwriters, the Selling Shareholders and our Company dated May 10, 2018 and addendum dated June 21, 2018.
U.S. Securities Act	U.S. Securities Act of 1933, as amended.
Working Day	All trading days of the Stock Exchange excluding Sundays and Bank holidays in Mumbai.

#### Technical / Industry related Terms

Term	Description
AGR	Adjusted Gross Revenue
ASSOCHAM	The Associated Chambers of Commerce and Industry of India
BCG	Boston Consulting Group
BIS	Bureau of Indian Standard
CCM	Continuous Casting Machine
CAD	Current Account Deficit
CAGR	Compound Annual Growth Rate
CIL	Coal India Limited
CPSE	Central Public Sector Enterprises
CR	Cold Rolled
CRGO	Cold-Rolled Grain-Oriented
DC	Direct Current
DRI	Direct Reduced Iron
EDP	Electronic Data Processing
EOT	Electric Overhead Traveling
ERW	Electric Resistance Welding
EU	European Union
FDI	Foreign direct investment
FE	Ferrous
GDP	Gross Domestic Product
GHG	Greenhouse gas
GI	Galvanized Wire
GST	Goods and Services Tax
HB Wire	Hard Black Wire
HR	Hot Roll
HRC	Hot Rolled Coil
IIP	Index of Industrial Production
IMF	International Monetary Fund
IMG	Inter-Ministerial Group
INR	Indian Rupee Rates
IS	Information System
ISO	International Organization for Standardization
JPC	Joint Plant Committee
JSW	Jindal South West
KCAL	Kilocalories
KG	Kilogram or Kilogramme

Term	Description
KVA	Kilovolt Amps
LRF	Ladle Refining Furnace
MIP	Minimum Import Price
MM	Millimeter
MS	Mild Steel
MSME	Micro, Small & Medium Enterprises
MSTC	Metal Scrap Trade Corporation
MT	Metric Tonnes
MTPA	Metric Tonnes Per Annum
NAFTA	North American Free Trade Agreement
NASSCOM	National Association of Software and Services Companies
NMDC	National Mineral Development Corporation
NSP	National Steel Policy
OD	Optical Density
OECD	Organisation for Economic Co-operation and Development
OMC	Odisha Mining Corporation
PCB	Printed Circuit Board
QA	Quality Assurance
QC	Quality Control
R – LNG	Regasification Liquefied Natural Gas
SAIL	Steel Authority of India Limited
SCCL	Singareni Collieries Company Limited
SMP	Symmetric Multiprocessing
SOP	Standard Operating Procedure
SO <sub>2</sub>	Sulfur Dioxide
SPM	Suspended Particulate Matter
SPV	Special Purpose Vehicles
SRRM	Steel Re-Rolling Mill
SRTMI	Steel Research and Technology Mission of India
TMT	Thermo Mechanically Treated
TSSPDCL	Telangana Southern Power Distribution Company Limited,
US	United States
WPI	Wholesale Price Index

#### Conventional Terms / General Terms / Abbreviations

Term	Description
A/c	Account
AGM	Annual General Meeting
AIF	Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
AS / Accounting Standards	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
Category II foreign portfolio investor(s) / Category II FPIs	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III foreign portfolio investor(s) / Category III FPIs	FPIs who are registered as “Category III foreign portfolio investors” under the SEBI FPI Regulations
CDSL	Central Depository Services (India) Limited
CEA	Central Electricity Authority



Term	Description
CFO	Chief Financial Officer
CIN	Company Identification Number
CIT	Commissioner of Income Tax
Client ID	Client identification number of the Applicant's beneficiary account
Companies Act	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 (to the extent notified) and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification.
Companies Act, 1956	The Companies Act, 1956, as amended from time to time
Companies Act, 2013	The Companies Act, 2013 published on August 29, 2013 and applicable to the extent notified by MCA till date.
CLPR Act	Child Labour (Prohibition and Regulation) Act, 1986
CLRA Act	Contract Labour (Regulation and Abolition) Act, 1970
CSR	Corporate Social Responsibility
CGST Act	Central Goods and Services Tax Act, 2017
CST	Central Sales Tax
DIN	Director Identification Number
DIPP	Department Of Industrial Policy and Promotion
DP	Depository Participant as defined under the Depositories Act
DP ID	Depository Participant's identification
ECS	Electronic Clearing System
EOGM	Extraordinary General Meeting
EMDEs	Emerging Market and Developing Economies
EIA	Environmental Impact Assessment
EMP	Environment Management Plan
EPS	Earnings Per Share
EPF Act	Employees Provident Funds and Miscellaneous Provisions Act, 1952
ESI Act	The Employees State Insurance Act, 1948
EXIM Policy	Export-Import Policy
FCNR Account	Foreign Currency Non Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time, and the regulations framed there under
FIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FPIs	Foreign Portfolio Investors as defined under the SEBI FPI Regulations
FIPB	Foreign Investment Promotion Board
FTA Act	Foreign Trade (Development and Regulation) Act, 1992
FY / Fiscal / Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
GDP	Gross Domestic Product
GoI/Government	Government of India
GST	Goods & Services Tax
HNI	High Networth Individuals
HUF	Hindu Undivided Family
IAS Rules	Indian Accounting Standards, Rules 2015
IDA Act	Industrial Disputes Act, 1947
IEC	Importer Exporter Code
IFRS	International Financial Reporting Standards
IGST Act	Integrated Goods and Services Tax Act, 2017
Indian GAAP	Generally Accepted Accounting Principles in India
I.T. Act	Income Tax Act, 1961, as amended from time to time
ICSI	Institute of Company Secretaries of India
IPO	Initial Public Offering
ISI	Indian Standards Institution

Term	Description
ISIN	International Securities Identification Number
ISO	International Organization for Standardization
KM / Km / km	Kilo Meter
LLP	Limited Liability Partnership
L.M. Act	Legal Metrology Act, 2009
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MoF	Ministry of Finance, Government of India
MICR	Magnetic ink character recognition
MOU	Memorandum of Understanding
MSMED Act	Micro, Small and Medium Enterprises Development Act, 2006 and Industries (Development and Regulation) Act, 1951
MWA Act	Minimum Wages Act, 1948
NA / N. A.	Not Applicable
NAV	Net Asset Value
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NoC	No Objection Certificate
NRE Account	Non Resident External Account
NRIs	A person resident outside India, who is a citizen of India or a person of Indian origin, and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60.00% by NRIs including overseas trusts, in which not less than 60.00% 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
p.a.	per annum
P/E Ratio	Price/Earnings Ratio
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
PESO	Petroleum and Explosives Safety Organisation
PLR	Prime Lending Rate
PWA	Payment of Wages Act, 1936
RBI	The Reserve Bank of India
ROE	Return on Equity
RONW	Return on Net Worth
Rupees / Rs. / ₹	Rupees, the official currency of the Republic of India
RTGS	Real Time Gross Settlement
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure

Term	Description
	Requirements) Regulations, 2009
SEBI LODR Regulations, 2015 / SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified on September 02, 2015
SEBI SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Sec.	Section
Securities Act	U.S. Securities Act of 1933, as amended
SHWW Act	Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
STT	Securities Transaction Tax
TIN	Taxpayers Identification Number
TDS	Tax Deducted at Source
T. P. Act	Transfer of Property Act, 1882
US / United States	United States of America
USD / US\$ / \$	United States Dollar, the official currency of the United States of America
VAT	Value added tax
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.

## **CERTAIN CONVENTIONS; PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA**

### **Certain Conventions**

All references to “India” contained in this Prospectus are to the Republic of India. In this Prospectus, our Company has presented numerical information in “lakhs” units. One lakh represents 1,00,000.

### **Financial Data**

Unless stated otherwise, the financial data in this Prospectus is derived from our audited financial statements as on Fiscal Years ended March 31, 2018, 2017, 2016, 2015 and 2014, prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI Regulations and included in this Prospectus. Our Fiscal Year commences on April 1 and ends on March 31 of the following year. In this Prospectus, any discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off.

There are significant differences between Indian GAAP, U.S. GAAP and 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 Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices, Indian GAAP, the Companies Act and the SEBI Regulations on the financial disclosures presented in this Prospectus should accordingly be limited. We have not attempted to explain the differences between Indian GAAP, U.S. GAAP and IFRS or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Any percentage amounts, as set forth in the section titled “*Risk Factors*”, chapters titled “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page nos. 14, 90 and 169 of this Prospectus, respectively, and elsewhere in this Prospectus, unless otherwise indicated, have been calculated on the basis of our audited financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI Regulations.

### **Currency, Units of Presentation and Exchange Rates**

All references to “Rupees”, “Rs.” or “₹” are to Indian Rupees, the official currency of the Republic of India. All references to “US\$” or “US Dollars” or “USD” are to United States Dollars, the official currency of the United States of America.

This Prospectus may contain conversions of certain US Dollar and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI Regulations. These conversions should not be construed as a representation that those US Dollar or other currency amounts could have been, or can be converted into Indian Rupees, at any particular rate.

### **Definitions**

For definitions, for details please see the Chapter titled “*Definitions and Abbreviations*” on page no. 1 of this Prospectus in the Section titled “*Main Provisions of the Articles of Association*” beginning on page no. 261 of this Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

### **Industry and Market Data**

Unless stated otherwise, the industry and market data and forecasts used throughout this Prospectus has been obtained from industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Further, the extent to which the industry and market 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 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

All statements contained in this Prospectus that are not statements of historical fact constitute forward-looking statements. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements with respect to our business strategy, our revenue and profitability, our projects and other matters discussed in this Prospectus regarding matters that are not historical facts. Investors can generally identify forward-looking statements by the use of terminology such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “may”, “will”, “will continue”, “will pursue”, “contemplate”, “future”, “goal”, “propose”, “will likely result”, “will seek to” or other words or phrases of similar import. All forward looking statements (whether made by us or any third party) are predictions and are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

Further the actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the Steel industry in India where we have our businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and overseas which have an impact on our business activities or investments, the monetary and fiscal policies of India and other jurisdictions in which we operate, inflation, deflation, unanticipated volatility in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and/or acts of violence. Other 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 and national economies and international markets;
- Increasing competition in or other factors affecting the industry segments in which our Company operates;
- Changes in laws and regulations relating to the industries in which we operate;
- Recession in the Steel industry / market;
- Volatility of interest rates and inflation;
- Our ability to successfully implement our growth strategy and expansion plans, and to successfully launch and implement various projects and business plans;
- Our ability to meet our capital expenditure requirements and/or increase in capital expenditure;
- Our inability to retain the services of our senior management, key managerial personnel and capable employees;
- Changes in political and social conditions in India the monetary policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- Failure to obtain any applicable approvals, licenses, registrations and permits in a timely manner.

For further discussions of factors that could cause our actual results to differ, please see the section titled “*Risk Factors*” and the chapters titled “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page nos. 14, 90 and 169 of this Prospectus respectively.

By their nature, certain 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. Forward-looking statements speak only as of this Prospectus. Our Company, the Selling Shareholder, our Directors, the Lead Manager, and their respective affiliates or associates do not have any obligation to, and do not intend 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 the SEBI requirements, our Company, the Selling Shareholder and the Lead Manager will



ensure that investors in India are informed of material developments until such time as the grant of listing and trading approvals by the Stock Exchange.

## SECTION II – RISK FACTORS

*An investment in Equity Shares involves a high degree of financial risk. You should carefully consider all information in this Prospectus, including the risks described below, before making an investment in our Equity Shares. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. Any of the following risks, as well as the other risks and uncertainties discussed in this Prospectus, could have a material adverse effect on our business and could cause the trading price of our Equity Shares to decline and you may lose all or part of your investment. In addition, the risks set out in this Prospectus are not exhaustive. Additional risks and uncertainties, whether known or unknown, may in the future have material adverse effect on our business, financial condition and results of operations, or which we currently deem immaterial, may arise or become material in the future. To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with the sections entitled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations on page nos. 90 and 169 of this Prospectus respectively as well as other financial and statistical information contained in this Prospectus. Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other risks mentioned herein.*

*This Prospectus also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including events described below and elsewhere in this Prospectus. Unless otherwise stated, the financial information used in this section is derived from and should be read in conjunction with restated financial information of our Company prepared in accordance with the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, including the schedules, annexure and notes thereto.*

### Materiality

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

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

### INTERNAL RISK FACTORS

1. ***Our Company, Group Companies, Promoters and Directors are parties to certain legal proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition.***

Our Company, Group Companies, Promoters and Directors are parties to certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts, tribunals and forums. Mentioned below are the details of the proceedings involving our Company, Group Companies, Promoters and Directors as on the date of this Prospectus along with the amount involved, to the extent quantifiable, based on the materiality policy for litigations, as approved by the Company in its Board meeting held on May 10, 2018.

Sr. No.	Nature of Case	No. of Outstanding cases	Amount in dispute/demanded to the extent quantifiable (in ₹)*
1.	<b>Litigations against our Company</b>		
(a)	Indirect Tax	8	2,36,25,823
2.	<b>Litigation filed by our Company</b>		
(a)	Indirect Tax	7	1,39,81,852
3.	<b>Litigations against our Directors</b>		
(b)	Criminal	2	24,76,826

Sr. No.	Nature of Case	No. of Outstanding cases	Amount in dispute/demanded to the extent quantifiable (in ₹)*
(c)	Indirect Tax	2	1,02,15,943
4.	<b>Litigations against our Promoter</b>		
(a)	Criminal	2	24,76,826
(b)	Direct Tax	1	1,77,180
(c)	Indirect Tax	2	1,02,15,943
5.	<b>Litigation against our Group Companies</b>		
(a)	Actions by Statutory/Regulatory Authorities	1	Unascertainable
(b)	Criminal	3	5,83,56,534
(c)	Indirect Tax	4	14,06,39,573
6.	<b>Litigation filed our by Group Companies</b>		
(a)	Actions by Statutory/Regulatory Authorities	1	1,97,856
(b)	Criminal	1	Unascertainable
(c)	Indirect Tax	33	53,27,81,879
(d)	Others	2	29, 54,90,826

*\*The amounts mentioned above may be subject to additional interest rates and/or penalties being levied by the concerned authorities for delay in making payment or otherwise. Amount of interest and/ or penalty that may be levied is unascertainable as on the date of this Prospectus.*

There can be no assurance that these litigations will be decided in our favour or in favour of our Group Companies, Promoters and Directors, respectively, and consequently it may divert the attention of our management and Promoters and use up some of our corporate resources and we may incur significant expenses in such proceedings and may have to make provisions in our financial statements, which could increase our expenses and liabilities. If such claims are determined against us, there could be a material adverse effect on our reputation, business, financial condition and results of operations, which could adversely affect the trading price of our Equity Shares. For the details of the cases filed by and against our Company, Group Companies, Promoter and Directors please refer the chapter titled “*Outstanding Litigations and Material Developments*” on page no. 178 of this Prospectus.

- The trademarks relating to brand “Super Shakti” which are currently being used by our Company are not registered in its own name. Our Company is currently using certain trademarks which belong to our Group Company, Super Smelters Limited. There is no assurance that our Company will be able to continue to use the trademarks relating to brand “Super Shakti” in future to sell its products. Any failure to protect the Company’s interest in the intellectual property may adversely affect its reputation, goodwill and business operations.***

Our Group Company, Super Smelters Limited (“SSL”) has applied for and obtained registrations of certain trademarks relating to brand “Super Shakti” under classes 6 and 14. Please refer to the chapter “*Government and Other Key Approvals*” on page 187 of this Prospectus for more details. In terms of Scheme of Arrangement for demerger of “Durgapur Unit” of Super Smelters Limited to and in Supershakti Metaliks Private Limited and de-merger of “Koderma Unit” of Super Smelters Limited to and in Sai Electrocasting Private Limited (“Scheme”), as approved by Hon’ble High Court of Calcutta through by and under an Order dated June 14, 2016 *inter-alia* all trademarks and other intellectual property rights, registrations and no objection certificates obtained by SSL for the operation of Durgapur Unit and/or to which SSL is entitled to in relation to the Durgapur Unit shall be available to vest in the Company post demerger and accordingly the Company shall also be entitled to enjoy the benefits of all such entitlements licences, permissions, approvals, clearances, authorisations, consents, intellectual property rights, registrations and no-objection certificates obtained by SSL for the operations of Durgapur Unit. Also pursuant to the Scheme, all trademarks and other intellectual property rights, registrations and no objection certificates obtained by SSL for the operation of Koderma Unit and/or to which SSL is entitled to in relation to the Koderma Unit shall be available to vest in Sai Electrocasting Private Limited (“SEPL”) post demerger and accordingly SEPL shall also be entitled to enjoy the benefits of all such entitlements licences,

permissions, approvals, clearances, authorisations, consents, intellectual property rights, registrations and no-objection certificates obtained by SSL for the operations of Koderma Unit. Subsequently, vide a Memorandum of Understanding dated November 1, 2017 (“MOU”) executed between SSL, the Company (erstwhile as Supershakti Metaliks Private Limited) and SEPL, the parties thereto have *inter-alia* agreed that SSL, the Company and SEPL are entitled to use brand ‘Super Shakti’ for selling their Products.

The Company has not been registered as “Registered User” under the Trademarks Act, 1999, with respect to the trademarks relating to brand “Super Shakti” which has been registered in the name of our Group Company, SSL. In the event, SSL repudiates the aforementioned MOU; there is no assurance that the Company will be able to continue to make use of trademarks relating to brand “Super Shakti” in future to sell its products. This may lead to litigations and any such litigations could be time consuming and costly and their outcome cannot be guaranteed. In such a case protection of the trademark may be difficult and we may be a party to litigation for infringement. Further, there is no assurance that third parties would not infringe upon our intellectual property or any order restraining or prohibiting us from using the trademark, shall adversely affect our business prospects, reputation and goodwill. The Company cannot prohibit the use of such trademark by third parties by means of statutory protection. In addition, we may not be able to detect any unauthorized use or take appropriate and timely steps to protect our intellectual property rights. Our inability to protect the same could adversely affect our business. We cannot provide any assurance that third parties will not infringe upon our trademark, trade names, logos or brand names and thereby cause damage to our business prospects, reputation or goodwill.

Further as part of our arrangements we are also sharing the advertisements or branding expenses with these two group companies for the “Super Shakti” brand. Our inability if any to ensure arms length relationship w.r.t these arrangements could affect our results of operations.

**3. *The steel industry is highly cyclical and volatility in steel prices may have an adverse effect on the Company’s results of operations and financial condition.***

The industry in which we operate is highly cyclical. Steel prices fluctuate based on macroeconomic factors, including, amongst others, consumer confidence, employment rates, interest rates and inflation rates, general levels of infrastructure activities in the region of sale etc. We aim to grow our business in a sustainable manner with a vision to create quality conscious customers and give them value for their money accompanied by technological drive. However, due to the nature of our industry we cannot ascertain the consistency of our profitability and heavy volatility in steel prices may have an adverse effect on the Company’s results of operations and financial condition.

**4. *We require certain approvals and licenses in the ordinary course of business and are required to comply with certain rules and regulations to operate our business, and the failure to obtain, retain and renew such approvals and licenses or comply with such rules and regulations, and the failure to obtain or retain them in a timely manner or at all may adversely affect our operations.***

We require several statutory and regulatory permits, licenses and approvals to operate our business, some of which our Company has either received or applied for fresh registration or renewal. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Non-renewal of the said permits and licenses would adversely affect our Company’s operations, thereby having a material adverse effect on our business, results of operations and financial condition. There can be no assurance that the relevant authorities will issue any of such permits or approvals in the time-frame anticipated by us or at all. Our Company has an made application for renewal of Fire License issued by West Bengal Fire Services under West Bengal Fire Services Act, 1950 for its premises situated at Kanjal Avenue, DPL, Zone B Substation, Durgapur, Ward – 30, Durgapur Municipal Corporation CD, Durgapur – 713 210 and the same is currently pending for approval. Further, some of our permits, licenses and approvals are subject to several conditions and we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of relevant permits, licenses or approvals. Any failure by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension or revocation of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change, we may incur increased costs, be subject to penalties or suffer a disruption in our business activities, any of which could

adversely affect our results of operations. For further details, please see chapters titled “Key Industry Regulations and Policies” and “Government and Other Statutory Approvals” at pages 104 and 187 respectively of this Prospectus.

**5. Substantial portion of our revenues has been dependent upon our few clients. The loss of any one or more of our major clients would have a material effect on our business operations and profitability.**

For the year ending March 31, 2018, our top ten clients accounted for approximately 49.42% of our revenue from operations. The loss of any significant client would have a material effect on our financial results. We cannot assure you that we can maintain the historical levels of business from these clients/distributors or that we will be able to replace these clients/distributors in case we lose any of them. Furthermore, major events affecting our clients, such as changes in government policies and bankruptcy, change of management, mergers and acquisitions in other cases could impact our business. If any of our major clients becomes bankrupt or insolvent, we may lose some or all of our business from that client and our receivable from that client would increase and may have to be written off, impacting our income and financial condition.

**6. Our Company may have potential Conflicts of interest with our Group Companies as they have been authorized and engaged in similar line of business.**

Our company is a primarily the result of a demerger process executed by our flagship group company – Super Smelters Ltd (“SSL”). In effect our company represents the demerged Durgapur Unit of SSL and our second group company Sai Electrocating Private Limited (“SEPL”) is the Koderma Unit.

Our group companies – SSL and SEPL also manufacture steel products which may create a potential conflict of interest and which in turn, may have an implication on our operations and profits. Currently our core end products are different wherein we are focused on manufacturing Wire Rods and HB Wires which none of these two companies currently manufacture. However there is no legal “non-compete” agreement between us and our group companies and hence there does exist a potential conflict of interest between our company and its group companies in the future.

Further, our company undertakes business activities with our group companies (wherein we purchase one of our key raw material sponge iron from SSL and also sale certain minor quantity of basic billets to SSL from time to time). We try to ensure that all these transactions are carried out at an arms-length. However, we cannot be assured that we shall be able to adopt necessary measures for mitigating any conflicts arising out the above arrangements in the future.

For further details, please refer to the chapters titled ‘Our Business’, ‘Our Group Companies’, beginning on page nos. 90, 139 respectively and ‘Annexure XXIX - Statement of Related Party Transactions’ on page no. 165 of this Prospectus.

**7. Our Company has entered into certain related party transactions in the past and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.**

Our Company has entered into certain transactions with our related parties including our Promoter, Promoter Group, Directors and their relatives. For example, we had purchased raw materials from group companies aggregating to ₹ 16,310.85 lakhs, ₹ 10,582.37 lakhs and ₹ 2,707.84 lakhs in the financial year ended 2018, 2017 and 2016 respectively. Further, we have sold finished products to our group companies aggregating to ₹ 322.79 lakhs, ₹ 611.77 lakhs and ₹ 0.13 lakhs in the financial year ended 2018, 2017 and 2016 respectively. While we believe that all such transactions have been conducted on the arm’s length basis, we cannot assure you that we might have obtained more favorable terms had such transactions been entered into with unrelated parties.

Furthermore, it is likely that we may enter into related party transactions in the future. We cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, results of operations, cash flows and financial condition. For details, please refer “Financial Statements – Related Party Transactions” on page no. 165 of this Prospectus.

**8. *Contingent liabilities could adversely affect our financial condition. Crystallization of any of these contingent liabilities may adversely affect our financial condition.***

As of March 31, 2018, our contingent liabilities as indicated in our Restated Financial Statements and also certified by our statutory auditors were as follows:

(₹ In Lakhs)

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
Bank Guarantees	126.75	-	-	-	-
Outstanding letter of credit	997.17	673.00	828.31	-	-
Claims against the company not acknowledged as debts					
- Tax related demand	388.57	4.43	25.98	-	-
- Others	91.51	-	-	-	-
<b>Total</b>	<b>1,604.00</b>	<b>677.43</b>	<b>854.30</b>	<b>-</b>	<b>-</b>

Any default in payment under such arrangement may have an adverse effect and may result into difficulty in arranging of funds for re-payment and may also adversely affect our operations and financials.

In the event that any of our contingent liabilities materialize, our business, financial condition and results of operations may be adversely affected. Furthermore, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the current fiscal year or in the future. For further information, please refer “Annexure XXV – Schedule of Contingent Liabilities, As Restated” under *Restated Financial Statement Report* starting on page no. 145 of this Prospectus.

**9. *We currently have low operating margins.***

Our business is a high volume and low margin business. Our inability to maintain consistent growth in turnover with high business processes operating efficiency could lead to lower profitability and hence adversely affect our operating results, debt service capabilities and financial conditions. Due to the nature of the products we sell, we may not be able to charge higher margins on our products. Hence, our business model is heavily reliant on our ability to effectively grow our turnover and manage our business processes including but not limited to raw material procurement, timely sales / order execution and continuous cost control of non core activities. Our different operating margin parameters are as follows:

(₹ in lakhs)

Parameter	FY 2018	FY 2017	FY 2016
Total Income	36,008.73	30,102.41	24,566.87
PBT as a % of Total Income	5.25%	0.25%	0.41%
PAT as a % of Total Income	3.44%	0.19%	0.29%

As a part of our growth strategy, our Company aims to develop domestic sales network in those territories where there are lower transportation cost and those which have a significant demand of our products. Our growth strategy is subject to and involves risks and difficulties, many of which are beyond our control and, accordingly, there can be no assurance that we will be able to implement our strategy or growth plans, or complete them within the timelines. If we are unable to maintain consistent growth in turnover with high business processes operating efficiency or unable to effectively implement our growth strategy, our net profit margins could be adversely affected and hence as a results our financial condition may hamper.

**10. *Our Promoters and Non Executive Directors Mr. Dilipp Agarwal and Mr. Deepak Agarwal control our Group Companies and our Promoter Group Entities and any default made by the Promoter Group Entities will also impact our Company.***

Our Promoters Mr. Dilipp Agarwal and Mr. Deepak Agarwal are also Directors / Promoters of entities forming part of our Promoter Group there may be situations in which they are unable to allocate sufficient time to our Company or effectively participate in the management of our Company, which could have a material adverse effect on our business.



Further, any defaults or negative incident involving these Companies may impact the Goodwill or fund raising capabilities of our Company which could have a material adverse effect on our business operations and financial conditions.

**11. Our Company has reported certain negative cash flows in the past, details of which are given below. Sustained negative cash flow could impact our growth and business in the future.**

Our Company had reported certain negative cash flows in the previous years as per the restated financial statements and the same are summarized as under:

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2018	2017	2016	2015	2014
Cash flow from Operating Activities	4,331.62	(279.06)	2,320.89	(0.12)	(0.12)
Cash flow from Investing Activities	(7.17)	(420.27)	(968.20)	-	-
Cash flow from Financing Activities	(3,427.85)	508.69	(1,651.11)	-	-

For details, please refer “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” on page no. 169 of this Prospectus.

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If our Company is not able to generate sufficient cash flows, it may adversely affect our business and financial operations.

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

Our promoters have been the main guiding force behind the growth and business strategy of our Company. They have vast experience of steel industry and have been instrumental in the consistent growth of our Company’s performance. They are actively involved in day to day business administration and marketing of the Company. Our success depends heavily upon our Promoters and Senior Management for their continuing services, strategic guidance and financial support.

**13. The capacity of the manufacturing plants of our various units is not fully utilized, consecutively, if there is also any under-utilization of our proposed capacities, this in turn could affect our ability to fully absorb fixed costs and thus may adversely impact our financial performance.**

The capacities at our various manufacturing units have not been fully utilized, the details of which are as follows:

Section	Particulars	For the Financial Year		
		2015-16	2016-17	2017-18
Induction Furnace	Installed Capacity per annum (MTPA)	90,000	90,000	1,35,000
	Capacity Utilized in MTPA	87,527	92,377	1,10,415
	Utilized Capacity (%)	97.25%	102.64%	81.79%
Rolling Mill	Installed Capacity per annum (MTPA)	1,20,000	1,20,000	1,62,000
	Capacity Utilized in MTPA	76,808	92,329	1,16,788
	Utilized Capacity (%)	64.01%	76.94%	72.09%

Currently our Company has prominent presence in Kolkata and nearby markets. Our Company intends to continue developing and nurturing existing market and create new distribution channels in under and non-penetrated geographies. In the event of non-materialization of our estimates and expected order flow for our existing and / or future products and/or failure of optimum utilization of our capacities, due to factors including adverse economic scenario, change in demand or for any other reason, our capacities may not be fully utilized thereby impairing our ability to fully absorb our fixed cost and may adversely impact our financial performance.

**14. *Our Company's manufacturing activities are labour intensive and depend on availability of skilled and unskilled labourers in large numbers. In case of unavailability of such labourers and / or inability to retain such personnel, our business operations could be affected.***

Our Company has employed 376 employees as on March 31, 2018 on our payroll. The above includes employees in the top and middle management (including Executive Director), and also employees who are part of manufacturing unit and office staff. We also engage contract labourers to facilitate our processing operations. Our operations and performance are labour intensive and depends on our ability to identify, attract and retain both skilled and unskilled labour. In case such labour is unavailable or we are unable to identify and retain such labourers, our business could be adversely affected.

Further, there might be instances where we will need to hire additional contract labour, either for specialized jobs or during periods of high customer orders. We have not entered into any agreement for hiring additional labourers and thus availability of appropriately skilled labour cannot be guaranteed. Any failure to hire the appropriate labour may impact the operations and impair our client relations.

**15. *The funds proposed to be utilised for general corporate purposes may constitute 21.47% of the Net Proceeds from Fresh Issue***

The Company intends to use the Fresh Issue Proceeds for the purposes described in the section titled “Objects of the Issue” on the page no. 67 of this Prospectus. Our Company upon finalisation of the price may utilise an amount constituting 21.47% of the Net Proceeds from Fresh Issue towards general corporate purposes. The Objects for which we will be using this amount shall include capital expenditure for the various operations of our Company, strategic initiatives, meeting exigencies and approved penalties, brand building exercises or any other purposes as approved by our Board. As of date, our Board has not yet authorized any specific commitments or acts, with respect to utilisation of the portion of the Fresh Issue Proceeds which will be used for the general corporate purposes.

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

We may encounter problems in executing the orders in relation to our products, or executing it on a timely basis. Moreover, factors beyond our control or the control of our customers, including delays or failure to obtain necessary permits, authorizations, permissions and other types of difficulties or obstructions, may result in the postponement of the delivery of products or cause its cancellation. Further, since we do not execute contracts with our customers, the order could be cancelled or there could be changes in scope and / or scheduled delivery of the products. Accordingly, it is difficult to predict with certainty if, when, and to what extent we may be able to deliver the orders placed. Failure to deliver products on time could lead to customers delaying or refusing to pay the amount, in part or full, which may adversely affect our business

In addition, even where a delivery proceeds as scheduled, it is possible that the contracting parties may default or otherwise fail to pay amounts owed. While we have not yet experienced any material delay, reduction in scope, cancellation, execution difficulty, delay or default in payment with regard to the orders placed with us, or any material disputes with customers in respect of any of the foregoing, any such adverse event in the future could materially harm our cash flow position and income. Any delay, modification, cancellation of order by our large customers may have material adverse effect on our financial condition and results of operations.

**17. *We do not own any of our properties which are used by us currently.***

We do not own any of the premises from where we operate. We have our Registered Office at 39, Shakespeare Sarani, 3rd Floor, Kolkata – 700017, West Bengal. We have taken the said office on rent from Sai Highrise Private Limited on a monthly rental basis. This premise is being shared by certain other entities, including our Group Companies. Any material adverse development with respect to such companies or firms could materially affect our goodwill and financial condition in the future. Further, our manufacturing facility at Kanjilal Avenue, Opp: DPL Zone, “B” Substation, Durgapur-713210 is taken on lease from Government of West Bengal. The said lease agreement is from August 28, 1997 to August 27, 2057.

Further, the rental agreement is renewable based on the terms of the agreement. Periodic renewals of short-term rental agreement may increase our costs, since they are subject to rent escalation. Further, if we are required to relocate our registered office as a result of any termination or non-renewal of our rental, we may incur additional cost as a result of such relocation. If we are unable to renew the agreements pursuant to which we occupy the premises on terms and conditions acceptable to us, or at all, we may have to relocate to other places.

Any failure or difficulty faced by us in renewing the rental agreement may affect our business and its prospects. For further details of our Properties, please refer to section titled “Our Business” beginning on Page No. 90 of this Prospectus.

***18. Any disruption in our manufacturing facility located at Kanjilal Avenue, Opp. DPL Zone, “B” Substation, Durgapur - 713210 could hamper or delay our ability to continue production and servicing.***

We manufacture our products from our manufacturing facility situated at Kanjilal Avenue, Opp. DPL Zone, “B” Substation, Durgapur - 713210. Any disruption in the operations due to supply of power, fire outages or industrial accidents at this unit could hamper or delay our ability to continue production. Any disruption or suspension in the production process in this facility can significantly impact our ability to service customer needs and relation with our customers and have a material adverse effect on our business, revenues, reputation, results of operation and financial condition.

***19. Our funding requirements and deployment of the issue proceeds are based on management estimates and actual cost may vary compared with the estimated amount.***

Our funding requirement and deployment of the proceeds of the issue are based on management estimates and our current business plan. The fund requirements and intended use of proceeds have not been appraised by banks or financial institutions and are based on our estimates. In view of the highly competitive nature of the industry in which we operate, we may have to revise our management estimates from time to time and, consequently, our funding requirements may also change as a result of various factors which may not be within the control of our management. This may entail rescheduling, revising or cancelling the planned expenditure and fund requirement and increasing or decreasing the working capital limits maintained from time to time at the discretion of our board. In addition, schedule of implementation as described herein are based on management’s current expectations and our subject to change due to various factors some of which may not be in our control. The deployment of the funds towards the objects of the issue is entirely at the discretion of the Board of Directors and is not subject to monitoring by external independent agency. However, the deployment of funds is subject to monitoring by our Audit Committee.

***20. The deployment of the Net Proceeds from the Fresh Issue are based on management estimates and have not been independently appraised by any bank or financial institution and is not subject to any monitoring by any independent agency and our Company’s management will have flexibility in utilizing the Net Proceeds from the Fresh Issue.***

Our Company intends to primarily use the Net Proceeds from the Fresh Issue towards working capital as described in “Objects of the Issue” on page no. 67 of this Prospectus. In terms of Regulation 16 of the SEBI (ICDR) Regulations, we are not required to appoint a monitoring agency since the Fresh Issue size is not in excess of ₹ 100 crores. The management of our Company will have discretion to use the Net Proceeds from the Fresh Issue, and investors will be relying on the judgment of our Company’s management regarding the application of the Net Proceeds from the Fresh Issue. Our Company may have to revise its management estimates from time to time and consequently its requirements may change. Additionally, various risks and uncertainties, including those set forth in this section “Risk Factors”, may limit or delay our Company’s efforts to use the Net Proceeds from the Fresh Issue to achieve profitable growth in its business.

Further, pursuant to Section 27 of the Companies Act 2013, any variation in the objects would require a special resolution of the Shareholders and would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to change the objects of the Issue, at a price and manner as specified in Chapter VI-A of the SEBI ICDR Regulations pursuant to the SEBI ICDR (Second Amendment) Regulations, 2016 dated February 17, 2016. Additionally, the requirement on Promoters or controlling shareholders to provide an exit opportunity to such dissenting shareholders may deter the Promoters or controlling shareholders from agreeing to the variation of the proposed utilization of our Net

Proceeds, even if such variation is in our interest. Further, we cannot assure you that our Promoters or the controlling shareholders will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price which may be prescribed by SEBI.

Accordingly, prospective investors in the Issue will need to rely upon our management's judgment with respect to the use of Net Proceeds. If we are unable to enter into arrangements for utilization of Net proceeds as expected and assumed by us in a timely manner or at all, we may not be able to derive the expected benefits from the proceeds of the Issue and our business and financial results may suffer.

***21. Our insurance coverage may not adequately protect us against all material hazards, which may adversely affect our business, results of operations and financial condition.***

Our business and assets could suffer damage from fire, natural calamities, misappropriation or other causes, resulting in losses, which may not be fully compensated by insurance. There can be no assurance that the terms of our insurance policies will be adequate to cover any damage or loss suffered by our Company or that such coverage will continue to be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim.

Further, our Company is required to renew these insurance policies from time to time and in the event, we fail to renew the insurance policies within the time period prescribed in the respective insurance policies or not obtain at all, our Company may face significant uninsured losses. If our Company suffers a large uninsured loss or if any insured loss suffered, significantly exceeds our insurance coverage, our business, financial condition and results of operations may be adversely affected.

***22. We face competition in our business from organized and unorganized players, which may adversely affect our business operation and financial condition.***

We may have to confront pressures in respect of pricing; product quality etc. from the clients and such pressures may put strain on our profit margins which may consequently affect the financial position of our Company. Competition emerges not only from the organized sector but also from the unorganized sector and from both small and big players. Our Competitiveness is also measured by the technology we adopt as our industry is rapidly growing in India. Our inability to compete with this intense competition; will have material adverse impact on our Company's financial position.

***23. Our Company generally does business with our customers on purchase order basis and we have not entered into long term contracts with any of them.***

Our business is dependent on our continuing relationships with our customers. Our Company neither has any long-term contract with any of customers or distributors. Any change in the buying pattern of our customers or distributors from us can adversely affect the business of our Company. Further, our inability to add new buyers to our sales portfolio may hamper growth of our business and profitability. The loss of or interruption of work by, a significant customer or a number of significant customers or the inability to procure new orders on a regular basis or at all may have an adverse effect on our revenues, cash flows and operations.

***24. We are dependent on third party transportation providers for the delivery of our raw material and products. Accordingly, continuing increases in transportation costs or unavailability of transportation services for them, as well the extent and reliability of Indian infrastructure may have an adverse effect on our business, financial condition, results of operations and prospects.***

We use third party transportation providers for the delivery of our raw material and products. Transportation strikes could have an adverse effect on our receipt of raw materials and our ability to deliver our products to our customers. In addition, transportation costs in India have been steadily increasing over the past several years. Continuing increases in transportation costs or unavailability of transportation services for our products may have an adverse effect on our business, financial condition, results of operations and prospects.

In addition, India's physical infrastructure is less developed than that of many developed nations, and problems with its road networks, electricity grid, communication systems or any other public facility could disrupt our normal business activity, including our supply of raw materials and the delivery of our products to customers by third-party transportation providers. 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 business operations, which could have a material adverse effect on our results of operations and financial condition.

**25. *Our success largely depends on our ability to attract and retain our Key Managerial Personnel. Any loss of our Key Managerial Personnel could adversely affect our business, operations and financial condition.***

Our Company is depending significantly on the expertise, experience, and continued efforts of our Key Managerial Personnel. If one or more members of our Key Managerial Personnel are unable or unwilling to continue in his/her present position, it may be difficult to find a replacement, and business might thereby be adversely affected. Our industry requires personnel with specific technical knowledge and experience.

Competition for Key Managerial Personnel in our industry is intense and it is possible that our Company may not be able to retain existing Key Managerial Personnel or may fail to attract/ retain new employees at equivalent positions in the future. As such, loss of Key Managerial Personnel could adversely affect our business, results of operations and financial condition. For further details on the key managerial personnel of our Company, please refer to the chapter titled "Our Management" beginning on page no. 118 of this Prospectus.

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

Our Promoters and Directors may be deemed to be interested to the extent of the Equity Shares held by them, or their relatives or our Group Entities, and benefits deriving from their directorship and shareholding 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. For further details, please refer to the chapters titled "Our Business" and "Our Promoter and Promoter Group", beginning on page nos. 90 and 131 respectively and the chapter titled "Annexure XXIX - Related Party Transactions" under chapter titled "Financial Statements" beginning on page no. 145 of this Prospectus.

**27. *Our Company has incurred substantial indebtedness which exposes us to various risks which may have an adverse effect on our business and results of operations.***

As on March 31, 2018, we had ₹ 2,241.57 lakhs of outstanding debt on our balance sheet (including current maturities but excluding non-fund based) from various banks and financial institutions. In the event that we fail to meet our debt servicing obligations under our financing documents, the relevant lenders could declare us to be in default, accelerate the maturity of our obligations or takeover our project or even sell our Company's movable and immovable assets. We cannot assure investors that in the event of any such acceleration we will have sufficient resources to repay these borrowings. Failure to meet obligations under debt financing agreements may have an adverse effect on our cash flows, business and results of operations. Our ability to meet our debt service obligations and to repay our outstanding borrowings will depend primarily upon the cash flows generated by our business. We cannot assure you that we will generate sufficient cash to enable us to service existing or proposed borrowings. Incurring significant indebtedness may limit our flexibility in planning for or reacting to changes in our business & industry and limit our ability to borrow additional funds. Further, our level of indebtedness has important consequences to our Company, such as:

- Increasing our vulnerability to general adverse economic, industry and competitive conditions;
- Limiting our flexibility in planning for, or reacting to, changes in our business and the industry; affecting our credit rating;
- Limiting our ability to borrow more money both now and in the future; and
- Increasing our interest expenditure and adversely affecting our profitability, since almost all of our debt bears interest at floating rates.



If any of these risks were to materialise, our business and results of operations may be adversely affected.

**28. *There are various negative covenants in the sanction letters issued to us by our lenders, which could put us at a competitive disadvantage and could have an adverse effect on our business, results of operations and financial condition.***

The sanction letter issued to us contains provisions that restrict our ability to do, among other things, any of the following:

- Changing or alter the Capital Structure of the Company;
- Entering in to borrowing arrangements, with other Banks, Financial Institutions and other parties;
- Entering into amalgamation, reconstruction, re-organisation, takeover or any other schemes of compromise or arrangement;
- Making investment in or giving loans to subordinates, associate concerns, individuals and other parties;
- Paying dividend/making withdrawals, other than out of Current year's earnings after making due provisions.

Further the company has created a charge on its assets in favour of their bankers against the assets of the company. In case of default by the company in repayment of the loans, bankers may exercise their rights over the security, which may be detrimental to the interest of the company. For details, please refer "Financial Indebtedness" on page no. 176 of this Prospectus. In addition to the restrictions listed above, we are required to maintain certain financial ratios under our financing agreements. These financial ratios and the restrictive provisions could limit our flexibility to engage in certain business transactions or activities. Additionally, our borrowings are secured by our movable, immovable or tangible assets (whether existing or future) and by a personal guarantee of our Promoter / Promoter Group. Such securities enable the lenders to cancel any outstanding commitments, accelerate the repayment, exercise cross default provisions and enforce their security interests on the occurrence of events of default such as a breach of financial covenants, failure to obtain the proper consents, failure to perfect security as specified and such other covenants that are not cured. It is possible that we may not have sufficient funds upon such an acceleration of our financial obligations to pay the principal amount and interest in full. Further, if we are forced to issue additional equity to the lenders, your ownership interest in our Company will be diluted. It is also possible that future financing agreements may contain similar or more onerous covenants and may also result in higher interest cost. If any of these events were to occur, our business, results of operations and financial condition may be adversely affected.

**29. *Our Group Companies, Super Smelters Limited and Sai Electrocasting Private Limited has incurred losses in previous financial years.***

Our Group Companies have incurred losses during some of the previous financial years preceding the current financial year. Our Group Company, Super Smelters Limited has recorded a loss of ₹ 2,825.92 lakhs in the financial year 2016-17 and our Group Company Sai Electrocasting Private Limited has recorded a loss of ₹ 0.15 lakhs in the financial year 2014-15.

**30. *Our Company, if not able to manage our growth or to successfully implement our business plan, could have an effect on our business, results of operations and financial condition.***

The success of our business will depend greatly on our ability to effectively implement our business and growth strategy. Our growth strategy involves focusing on Optimal Utilization of Resources and to develop relationships with customer and suppliers. For further details, see the section titled "Our Business – Our Strategies" on page no. 92 of this Prospectus. Our success in implementing our growth strategies may be affected by:

- Our ability to identify new markets to expand;
- Our ability to maintain the quality of our products;
- Changes in the Indian regulatory environment in field



If our Company is not able to execute our strategy on time and within our estimated budget, or that our expansion and development plans will increase our profitability. Any of these factors could impact our results of operations. Further, we expect our growth strategy to place significant demands on our management, financial and other resources and require us to continue developing and improving our operational, financial and other internal controls. Our inability to manage our business and implement our growth strategy could have an effect on our business, financial condition and profitability.

**31. *Our operations are prone to fire and could expose us to the risk of liabilities, lost revenues and increased expenses.***

Our operations are subject to fire hazards associated with the large scale processing of steel in high temperature and other processes. This hazard can cause personal injury and loss of life, severe damage to and destruction of property and equipment, and environmental damage, and may result in the suspension of operations and the imposition of civil and criminal liabilities.

There may be additional claims of injury by employees or members of the public due to fire, or alleged exposure to the fire in the future. Liabilities incurred as a result of these events may materially impact our financial position. We maintain Fire insurance against these liabilities, but the insurance proceeds may not be adequate to fully cover the substantial liabilities, lost revenues or increased expenses that we might incur.

**32. *Our Company might be unable to meet certain delivery obligations including timelines of delivery, due to which, it could become liable to claims by customers, suffer adverse publicity and incur substantial costs, which in turn could adversely affect our results of operations.***

Many of our orders involve providing services that are critical to the operations of our customers business. Any failure or defect in services could result in a claim against us for substantial damages, regardless of our responsibility for such a failure or defect. Our Company has commitments for safe and timely delivery of the cargo. Any failure to meet the scheduled timelines set by our customers or loss or damage to cargo may lead to our customers raising claims against us.

Although Our Company is attempting to limit its contractual liability for all the damages, including consequential damages, while rendering the services, our Company cannot be assured that the limitations on liability it provides for, in the service contracts will be enforceable in all cases.

**33. *Our Promoters and Promoter Group has extended personal guarantees in connection with certain of our debt facilities. There can be no assurance that such personal guarantees will be continued to be provided by our Promoters in the future or can be called at any time, affecting the financial.***

Our Promoters have provided personal guarantees for our borrowings to secure our loans. If any of these guarantees are revoked, our lenders may require alternative guarantees or collateral or cancellation of such facilities, entailing repayment of amounts outstanding under such facilities. If we are unable to procure alternative guarantees satisfactory to our lenders, we may need to seek alternative sources of capital, which may not be available to us at commercially reasonable terms or at all, or to agree to more onerous terms under our financing agreements, which may limit our operational flexibility. Accordingly, our business, financial condition, results of operations, cash flows and prospects may be adversely affected by the revocation of all or any of the personal guarantees provided by our Promoters in connection with our Company's borrowings.

**34. *Our Promoters and Promoter Group will continue to retain majority shareholding in us after the Issue, which will allow them to exercise significant influence over us and potentially create conflicts of interest.***

Our Promoter and Promoter Group may beneficially own approximately 72.23% of our post-Issue equity share capital. As a result, the Promoter Group may have the ability to control our business including matters relating to any sale of all or substantially all of our assets, the timing and distribution of dividends and the election or termination of appointment of our officers and directors. This control could delay, defer or prevent a change in control of the Company, impede a merger, consolidation, takeover or other business combination involving the Company, or discourage a potential acquirer from making a tender offer or

otherwise attempting to obtain control of the Company even if it is in the Company's best interest. In addition, for so long as the Promoter Group continues to exercise significant control over the Company, they may influence the material policies of the Company in a manner that could conflict with the interests of our other shareholders. The Promoter Group may have interests that are adverse to the interests of our other shareholders and may take positions with which our other shareholders do not agree.

**35. *Employee misconduct, errors or fraud could expose us to business risks or losses that could adversely affect our business prospects, results of operations and financial condition.***

Employee misconduct, errors or frauds could expose us to business risks or losses, including regulatory sanctions, penalties and serious harm to our reputation. Such employee misconduct includes breach in security requirements, misappropriation of funds, hiding unauthorized activities, failure to observe our stringent operational standards and processes, and improper use of confidential information. It is not always possible to detect or deter such misconduct, and the precautions we take to prevent and detect such misconduct may not be effective. In addition, losses caused on account of employee misconduct or misappropriation of petty cash expenses and advances may not be recoverable, which we may result in write-off of such amounts and thereby adversely affecting our results of operations. Our employees may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions in which case, our reputation, business prospects, results of operations and financial condition could be adversely affected.

**36. *We may not be able to sustain effective implementation of our business and growth strategies.***

The success of our business will depend greatly on our ability to effectively implement our business and growth strategies. We may not be able to execute our strategies in the future. Further, our growth strategies could place significant demand on our management team and other resources and would require us to continuously develop and improve our operational, financial and other controls, none of which can be assured. Any failure on our part to scale up our infrastructure and management could cause disruptions to our business and could be detrimental to our long term business outlook. Further, we operate in a highly dynamic industry, and on account of changes in market conditions, industry dynamics, technological improvements or changes and any other relevant factors, our growth strategy and plans may undergo changes or modifications, and such changes or modifications may be substantial, and may even include limiting or foregoing growth opportunities if the situation so demands. Our inability to implement our business strategies and sustain our growth may impair our financial growth and thus result in an adverse impact on our Company's share price.

**37. *Any disproportionate increase in labour costs including increase in wage/salary demand, labour unrest or labour claims arising from accidents may adversely affect our business operations and financial conditions.***

Our increasing business operations may require our employee strength to increase in future. In the past our Company has not experienced any labour unrest, but there is no assurance that it will not experience the same at any time in the future. Also, there is a possibility that the labour costs increase disproportionately due to increase in wage/salary demand. In this event, if our Company is unable to pass on the increased costs to our customers, our business operations and financial conditions may be adversely affected.

**38. *The rate of interest for the loans obtained by us from the banks is variable and any increase in interest rates may adversely affect our results of operations and financial condition.***

Our Company is susceptible to changes in interest rates and the risks arising there from. Our sanction letters provide for interest at variable rates with a provision for the periodic resetting of interest rates. Further the lenders are entitled to change the applicable rate of interest, which is a combination of a base rate that depends upon the policies of the RBI and a contractually agreed spread, and in the event of an adverse change in our Company's credit risk rating. For further details of interest payable on our borrowings, please refer to the chapter titled "Financial Indebtedness" on page no. 176 of this Prospectus Further, in recent years, the Government of India have taken measures to control inflation, which have included tightening the monetary policy by raising interest rates. As such, any increase in interest rates may have an adverse effect on our business, results of operations, cash flows and financial condition.

**39. *The requirements of being a public listed company may strain our resources and impose additional requirements.***

With the increased scrutiny of the affairs of a public listed company by shareholders, regulators and the public at large, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur in the past. We will also be subject to the provisions of the listing agreements signed with the Stock Exchanges which require us to file unaudited financial results on a quarterly basis. In order to meet our financial control and disclosure obligations, significant resources and management supervision will be required. As a result, management's attention may be diverted from other business concerns, which could have an adverse effect on our business and operations. There can be no assurance that we will be able to satisfy our reporting obligations and/or readily determine and report any changes to our results of operations in a timely manner as other listed companies. In addition, we will need to increase the strength of our management team and hire additional legal and accounting staff with appropriate public company experience and accounting knowledge and we cannot assure that we will be able to do so in a timely manner.

**RISK FACTORS RELATED TO EQUITY SHARES**

**40. *Any further issuance of Equity Shares by Our Company or sales of Equity Shares by any significant shareholders may adversely affect the trading price of the Equity Shares.***

Any future issuance of Equity Shares by our Company could dilute the investors' shareholding. Any such future issuance of Equity Shares or sales of Equity Shares by any of our significant shareholders may also adversely affect the trading price of the Equity Shares, and could impact our ability to raise capital through an offering of securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares.

**41. *There is no existing market for our Equity Shares, and we do not know if one will develop. Our stock price may be highly volatile after the Issue and, as a result, you could lose a significant portion or all of your investment.***

There is no guarantee that our Equity Shares will be listed on the Stock Exchanges in a timely manner or at all and any trading closures at the Stock Exchanges may adversely affect the trading price of our Equity Shares. Prior to the Issue, there has not been a public market for the Equity Shares. Further, we cannot predict the extent to which investor interest will lead to the development of an active trading market on the Stock Exchanges or how liquid that market will become. If an active market does not develop, you may experience difficulty selling the Equity Shares that you purchased. The Issue Price is not indicative of prices that will prevail in the open market following the Issue. Consequently, you may not be able to sell your Equity Shares at prices equal to or greater than the Issue Price. The market price of the Equity Shares on the Stock Exchanges may fluctuate after listing as a result of several factors, including the following:

- Volatility in the Indian and other Global Securities Markets;
- The performance of the Indian and Global Economy;
- Risks relating to our business and industry, including those discussed in this Prospectus;
- Strategic actions by us or our competitors;
- Investor perception of the investment opportunity associated with the Equity Shares and our future performance;
- Adverse media reports about us, our shareholders or Group Companies;
- Future sales of the Equity Shares;
- Variations in our quarterly results of operations;
- Differences between our actual financial and operating results and those expected by investors and analysts;
- Our future expansion plans;
- Perceptions about our future performance or the performance of transport sector companies generally;
- Performance of our competitors in the our industry and the perception in the market about investments in the our sector;
- Significant developments in the regulation of the industry in our key locations;
- Changes in the estimates of our performance or recommendations by financial analysts;

- Significant developments in India's economic liberalization and deregulation policies; and
- Significant developments in India's fiscal and environmental regulations. There has been significant volatility in the Indian stock markets in the recent past, and our Equity Share

Price could fluctuate significantly as a result of market volatility. A decrease in the market price of the Equity Shares could cause you to lose some or all of your investment.

***42. 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, the Equity Shares at a particular point in time.***

The price of the Equity Shares will be subject to a daily circuit breaker imposed by all stock exchanges in India which does not allow transactions beyond a certain level of volatility in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by the SEBI on Indian stock exchanges. The percentage limit on our circuit breaker 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 from time to time, and may change it without our knowledge. This circuit breaker effectively limits upward and downward movements in the price of the Equity Shares. As a result, shareholders' ability to sell the Equity Shares, or the price at which they can sell the Equity Shares, may be adversely affected at a particular point in time.

***43. Our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows.***

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements, and that of our Subsidiary and the dividends they distribute to us. In the past, we have not made dividend payments to the Shareholders of our Company. The Company may decide to retain all future earnings, if any, for use in the operations and expansion of the business. In such situation, the Company may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. We cannot state with any certainty whether we will be able to pay dividends in the future. Accordingly, realization of a gain on Shareholders' investments will depend on the appreciation of the price of the Equity Shares. There is no guarantee that our Equity Shares will appreciate in value.

***44. Investors would be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares. The Finance Act, 2018 levies taxes on long term capital gains exceeding ₹ 1,00,000 arising from sale of equity shares on or after April 1, 2018, while continuing to exempt unrealised capital gains earned up to January 31, 2018 on equity shares.***

Under current Indian tax laws, capital gains arising from the sale of Equity Shares in an Indian company are generally taxable in India. However, any gain realized on the sale of listed equity shares on or before March 31, 2018 on a stock exchange held for more than 12 months will not be subject to long term capital gains tax in India if Securities Transaction Tax ("STT") is paid on the sale transaction and additionally, as stipulated by the Finance Act, 2017, STT had been paid at the time of acquisition of such equity shares on or after October 1, 2004, except in the case of such acquisitions of equity shares which are not subject to STT, as notified by the Central Government under notification no. 43/2017/F. No. 370142/09/2017- TPL on June 5, 2017. However, the Finance Act, 2018, has now levied taxes on such long term capital gains exceeding ₹ 1,00,000 arising from sale of Equity Shares on or after April 1, 2018, while continuing to exempt the unrealised capital gains earned up to January 31, 2018 on such Equity Shares subject to specific conditions. Accordingly, you may be subject to payment of long term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold.

Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not

limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

## EXTERNAL RISK FACTORS

***45. 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. Further, companies meeting certain financial thresholds are also required to constitute a committee of the board of directors for corporate social responsibility activities and ensure that at least 2% of the average net profits of the company during three immediately preceding financial years are utilized for corporate social responsibility activities. Penalties for instances of non-compliance have been prescribed under the Companies Act, 2013, which may result in inter alia, our Company, Directors and key managerial employees being subject to such penalties and formal actions as prescribed under the Companies Act, 2013, should we not be able to comply with the provisions of the New Companies Act within the prescribed timelines, and this could also affect our reputation.

To ensure compliance with the requirements of the Companies Act, 2013 within the prescribed timelines, we may need to allocate additional resources, which may increase our regulatory compliance costs and divert management attention. While we shall endeavour to comply with the prescribed framework and procedures, we may not be in a position to do so in a timely manner.

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. Additionally, some of the provisions of the Companies Act, 2013 overlap with other existing laws and regulations (such as the corporate governance norms and insider trading regulations). 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.

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

Our Company is subject to various regulations and policies. For details see section titled "Key Industry Regulations and Policies" beginning on page no. 104 of this Prospectus. Our business and prospects could be materially adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that our Company will succeed in obtaining all requisite regulatory approvals in the future for our operations or that compliance issues will not be raised in respect of our operations, either of which could have a material adverse affect on our business, financial condition and results of operations.

***47. Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, results of operations, financial condition and prospects.***

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, results of operations,



financial condition and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

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

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

***49. Terrorist attacks, civil unrest and other acts of violence or war involving India and other countries could adversely affect the financial markets and our business.***

Terrorist attacks and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares will trade and also adversely affect the worldwide financial markets. These acts may also result in a loss of business confidence, impede travel and other services and ultimately adversely affect our business. In addition, any deterioration in relations between India and Pakistan might result in investor concern about stability in the region, which could adversely affect the price of our Equity Shares.

India has also witnessed civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic and political events in India could have a negative impact on the value of share prices generally as well as the price of our Equity Shares. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse impact on our business and the price of our Equity Shares.

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

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States of America or Europe, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets.

The global financial turmoil, an outcome of the sub-prime mortgage crisis which originated in the United States of America, led to a loss of investor confidence in worldwide financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil, evident from the sharp decline in SENSEX, BSE's benchmark index. Any prolonged financial crisis may have an adverse impact on the Indian economy and us, thereby resulting in a material and adverse effect on our business, operations, financial condition, profitability and price of our Equity Shares.

***51. Any downgrading of India's debt rating by a domestic or international rating agency could adversely affect our Company's business.***

Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely affect our Company's ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could harm our Company's business and financial performance and ability to obtain financing for capital expenditures.

***52. Conditions in the Indian securities market and stock exchanges may affect the price and liquidity of our Equity Shares.***

Indian stock exchanges, which are smaller and more volatile than stock markets in developed economies, have in the past, experienced problems which have affected the prices and liquidity of listed securities of Indian companies. These problems include temporary exchange closures to manage extreme market volatility, 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, limited price movements and restricted margin requirements. Further, disputes have occurred on occasion between listed companies and the Indian stock exchanges and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. If similar problems occur in the future, the market price and liquidity of the Equity Shares could be adversely affected. Further, a closure of, or trading stoppage on, either of the Stock Exchanges could adversely affect the trading price of our Equity Shares.

## PROMINENT NOTES

1. Investors are free to contact the Lead Manager for any clarification, complaint or information pertaining to the Issue. The Lead Manager and our Company shall make all information available to the public and investors at large and no selective or additional information would be made available for a section of the investors in any manner, whatsoever.
2. The Net Worth of our Company (net of revaluation reserves) was ₹ 5,459.99 lakhs, and the book value of each Equity Share was ₹ 110.03 as of March 31, 2018 as per our Restated Financial Statements. For more information, please refer the Section titled “*Financial Information*” beginning on page no. 145 of this Prospectus.
3. Public Issue of up to 16,00,200 Equity Shares for cash at price of ₹ 375/- per share including a premium of ₹ 365/- aggregating to ₹ 6,000.75 lakhs. The Issue will constitute 27.77% of the post-Issue paid-up Equity Share capital of our Company.
4. The average cost of acquisition of Equity Shares by our Promoter is:

Promoter	Average cost (₹)
Dilipp Agarwal	79.89
Deepak Agarwal	71.96
Veerbhadrha Sales Private Limited	64.61
Khandelwal Finance Private Limited	100.71

*The average cost of acquisition is as per the certificate provided by “Singhi & Co.” dated May 10, 2018 and is derived by taking into consideration the amount of consideration paid for acquisition of shares of Super Smelters Limited, as the shares of our Company was allotted, pursuant to the Scheme of Arrangement for Demerger, to the shareholders of Super Smelters Limited.*

5. Investors are advised to refer to the chapter titled “*Basis for Issue Price*” beginning on page no. 74 of this Prospectus.
6. The details of transactions by our Company with our Group Companies or associates during the last year are disclosed under “*Annexure XXIX - Statement of Related Party Transactions*” on page no. 165 of this Prospectus.
7. There are no financing arrangements whereby the Promoter Group, the Directors of our Company who are the Promoters of our Company, 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 6 (six) months immediately preceding the date of the Prospectus.
8. Our Company was incorporated as Quentz Dealtrade Private Limited on December 12, 2012 under the Companies Act, 1956, as private limited company, with the Registrar of Companies, West Bengal bearing Registration No. 189128. The name of our Company was changed to Supershakti Metaliks Private Limited pursuant to shareholders resolution passed on October 22, 2014 and a fresh Certificate of Incorporation pursuant to change of name issued by the Assist. Registrar of Companies, Kolkata on November 12, 2014. Subsequently, pursuant to resolution of shareholders on April 06, 2018, our Company was converted to a public limited company and the name of our Company was further changed to Supershakti Metaliks Limited. A fresh certificate of incorporation consequent on change of name was granted to our Company on May 03, 2018, by the Registrar of Companies, Kolkata.

## SECTION III – INTRODUCTION

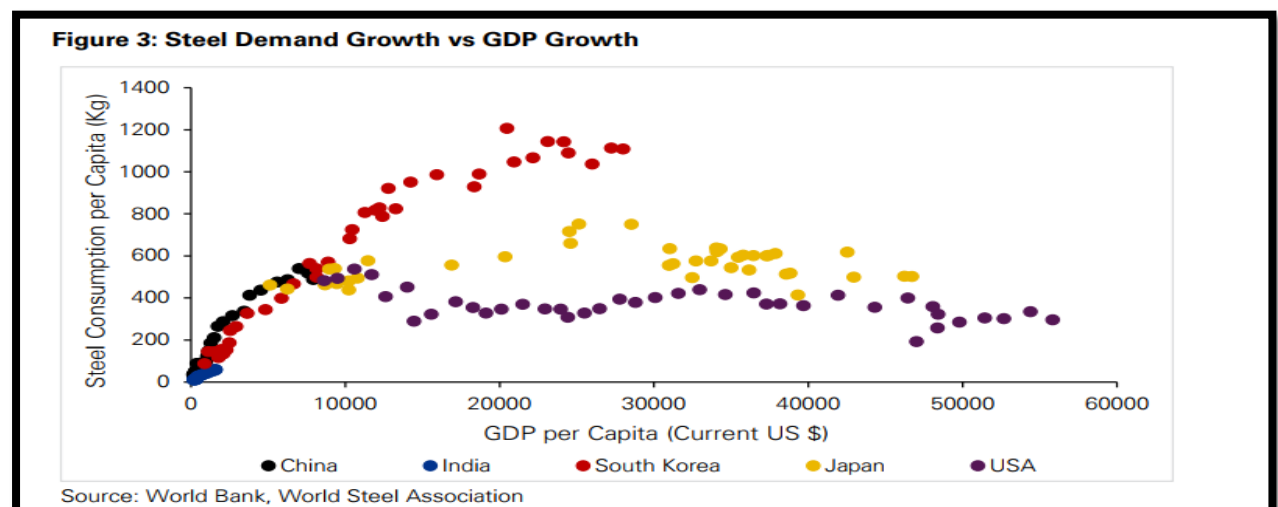
### SUMMARY OF OUR INDUSTRY

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

#### OVERVIEW OF GLOBAL STEEL INDUSTRY

Steel is one of the world's most essential materials. It is fundamental to every aspect of our lives, from infrastructure and transport to the tinplated steel can that preserves food. It is one of the most important products of the modern world and is of strategic importance to any industrial nation. From construction, industrial machinery and transportation to consumer products, steel finds a wide variety of applications. It is also an industry with diverse technologies based on the nature and extent of use of raw materials.

Steel consumption also shows strong link with the economic growth. It is understandable since the economic growth will drive the infrastructure spend and housing. With respect to retail consumers, economic growth will drive the consumption leading to increased spending on automobiles, white goods, etc. All drivers of steel demand. However, over the long run, growth in steel consumption will also depend on the structure of economy and not just growth. For instance, countries with significant proportion of service industry will see steel demand plateauing (e.g. US) whereas manufacturing focused economies will see steel demand growing with economic growth (e.g. South Korea, China).



(Source: <http://ficci.in/spdocument/20888/Steel-Report-2017.pdf> )

The global steel market is expected to reach USD 1.01 trillion by 2025, according to a new report by Grand View Research, Inc. Growing inclination of contractors towards sustainable, low cost and durable building materials is driving steel demand in upcoming residential projects & industrial infrastructure.

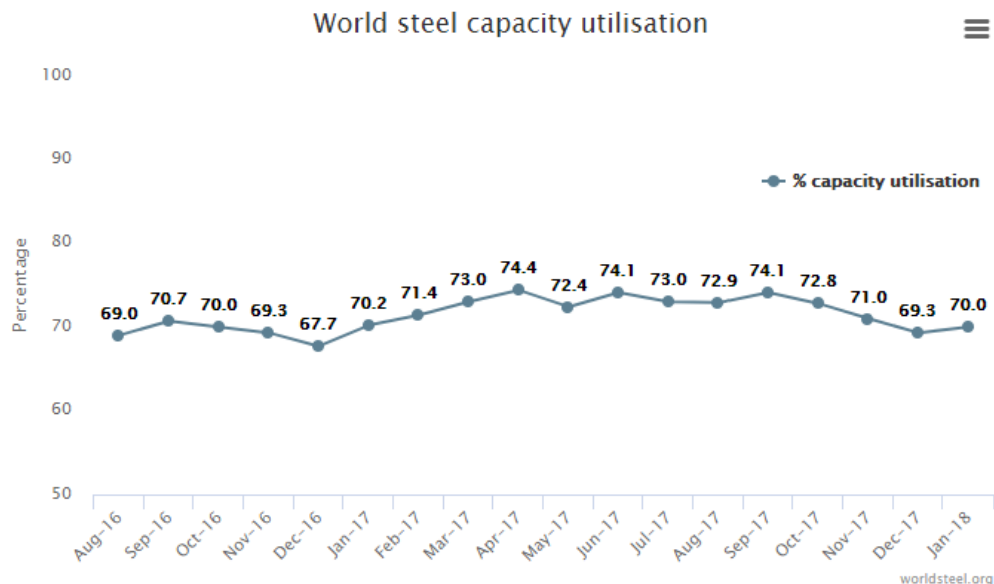
Technological advancements have made pre-engineered metal buildings with high structural integrity a reality, where steel plays an essential function in lending stability, aesthetic appeal and design flexibility. Stringent regulations promoting green & energy-efficient buildings is also contributing to steel demand, especially in industrial structures.

The Asia Pacific market is relatively subdued, but displays high growth owing to exponential growth in the Indian market as of 2017 on account of protectionist measures & rising demand. About 1/3rd of Chinese exports

are shipped to countries in Southeast Asia owing to anti-dumping policies by western countries, which has contributed to economic growth and infrastructure development in these countries.

Hot rolled products dominated the steel industry with over 75% of the volume share in 2016. These products are widely utilized in automobile structures such as frames, wheel and other parts as well as welding and construction trades among others.

(Source: <https://www.grandviewresearch.com/press-release/global-steel-market>)



(Source: <https://www.worldsteel.org/media-centre/press-releases/2018/january-2018-crude-steel-production.html>)

## Supply Forecast

Steel supply tightened across late 2017, although it is not in deficit. Disruptions hit production in Europe, while buyers in the United States faced higher prices for imports that necessitated redrawing some supply chains and then further disruption from the Section 232 tariffs. The Chinese narrative says that supply is tight because of pollution-related capacity closures.

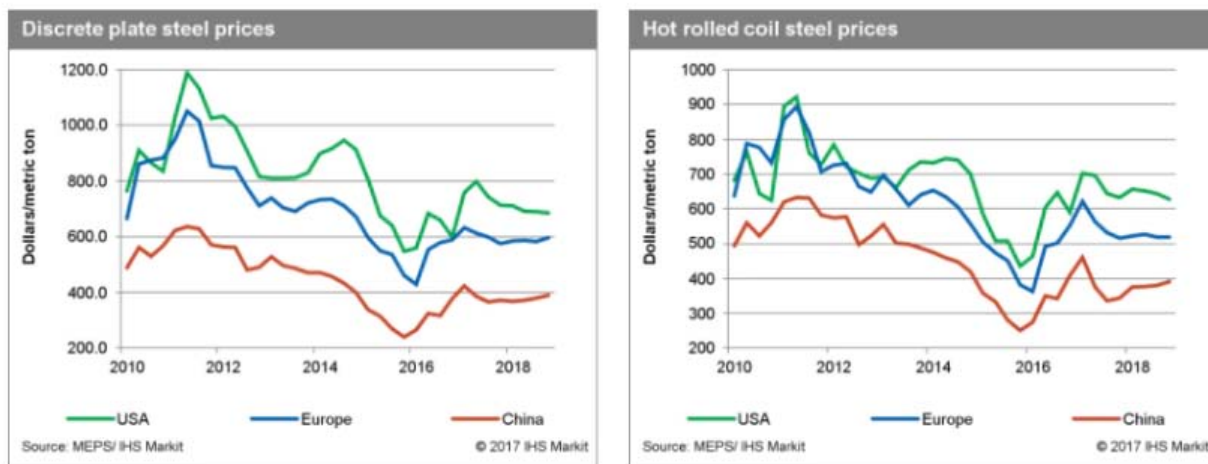
Service centers have decent inventory, and lead times are normal to slightly extended. The change will come from falling import tonnage. High prices in Europe and Asia are already causing imports to decline.

European supply is genuinely tight late in 2017, but should improve in coming quarters. Surprising demand growth in Europe outpaced mill production. A shortage of graphite electrodes is disrupting European production, although the impact is much greater on bar steel than on sheet.

## Demand Forecast

- Steel demand is up globally, but is certainly not booming. Automotive, construction and energy investment are growing but at a modest pace.
- No demand sector is growing so fast as to truly pressure steel availability. If there are shortages, they would generally be from a supply disruption, not from a boom in demand (with the exception of higher-quality bar for drilling activity, mostly in the United States).
- The second quarter of each year is typically the strongest for steel demand. Construction in all major regions is kicking off, feeding straight into steel demand. With US president Donald Trump's pledges of infrastructure building, construction steel demand should be strong.

(Source: <https://ihsmarkit.com/solutions/steel-forecast.html>)



## OVERVIEW OF INDIAN STEEL INDUSTRY

### Introduction

India was the world's third-largest steel producer in 2017. The growth in the Indian steel sector has been driven by domestic availability of raw materials such as iron ore and cost-effective labour. Consequently, the steel sector has been a major contributor to India's manufacturing output.

The Indian steel industry is very modern with state-of-the-art steel mills. It has always strived for continuous modernization and up-gradation of older plants and higher energy efficiency levels.

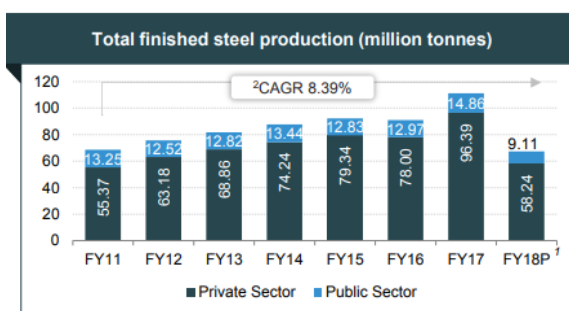
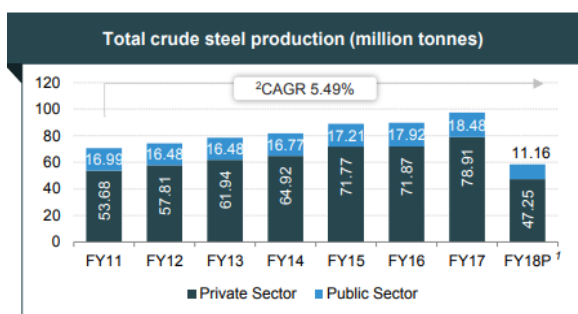
Indian steel industries are classified into three categories such as major producers, main producers and secondary producers.

### Market Size

Steel production in India has been growing at a fast pace

- In FY17, crude steel production in India was 97.42 MT, with the total crude steel production growing at a CAGR of 5.49 per cent over the last 6 years.
- The steel sector contributes over 2 per cent to the GDP of the nation and provides 20 lakh jobs in the country.
- During April-October 2017, crude steel and finished steel production in India stood at 58.42 MT and 67.34 MT respectively.
- As of March 2017, the capacity utilisation of steel producers is set to increase with strong export demand and signs of revival in domestic sales. Companies like JSW and Essar Steel have experienced a sharp increase in steel manufacturing in the last 2 months
- Steel manufacturing output of India is expected to increase to 128.6 MT by 2021, accelerating the country's share of global steel production from 5.4 per cent in 2017 to 7.7 per cent by 2021.

(Source: <https://www.ibef.org/download/Steel-November-20171.pdf>)



(Source: <https://www.ibef.org/download/Steel-November-20171.pdf>)

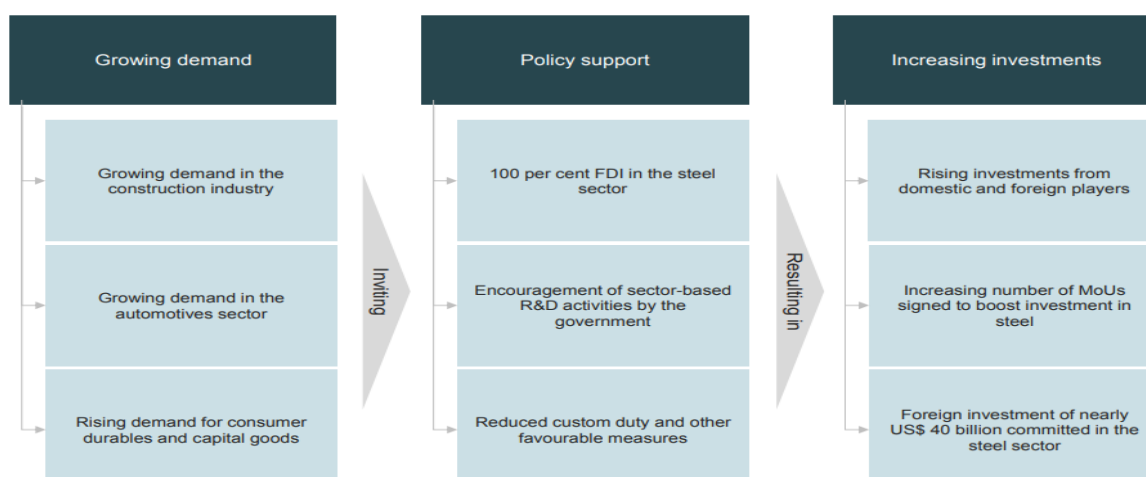
India's crude steel output grew 5.87 per cent year-on-year to 101.227 million tonnes (MT) in CY 2017. Crude steel production reached 93.183 MT during April-February 2017-18.

India's finished steel exports rose 102.1 per cent to 8.24 MT, while imports fell by 36.6 per cent to 7.42 MT in 2016-17. Exports and Imports of iron and steel stood at 14.6 MT and 13.1 MT during April-February 2017-18, respectively.

Total consumption of finished steel stood at 81.943 MT during April-February 2017-18.

(Source: <https://www.ibef.org/industry/steel.aspx>)

## Growth Drivers



(Source: <https://www.ibef.org/download/Steel-November-20171.pdf>)

## Opportunities for growth of Iron and Steel in Private Sector

### The New Industrial Policy Regime

The New Industrial policy opened up the Indian iron and steel industry for private investment by (a) removing it from the list of industries reserved for public sector and (b) exempting it from compulsory licensing. Imports of foreign technology as well as foreign direct investment are now freely permitted up to certain limits under an automatic route. Ministry of Steel plays the role of a facilitator, providing broad directions and assistance to new and existing steel plants, in the liberalized scenario.

### The Growth Profile

(i) Steel: The liberalization of industrial policy and other initiatives taken by the Government have given a definite impetus for entry, participation and growth of the private sector in the steel industry. While the existing units are being modernized /expanded, a large number of new steel plants have also come up in different parts of the country based on modern, cost effective, state-of-the-art technologies. In the last few years, the rapid and

stable growth of the demand side has also prompted domestic entrepreneurs to set up fresh Greenfield projects in different states of the country. Crude steel capacity was 126.33 mt in 2016-17 (prov.), up by 3.6% over 2015-16 and India, which emerged as the 3rd largest producer of crude steel in the world in 2016 as per provisional ranking released by the World Steel Association, has to its credit, the capability to produce a variety of grades and that too, of international quality standards. The country is expected to become the 2nd largest producer of crude steel in the world soon.

(ii) Pig Iron: India is also an important producer of pig iron. Post-liberalization, with setting up several units in the private sector, not only imports have drastically reduced but also India has turned out to be a net exporter of pig iron. The private sector accounted for 92% of total production for sale of pig iron in the country in 2016-17 (prov.). The production for sale of pig iron has increased from 1.6 mt in 1991-92 to 9.39 mt in 2016-17 (prov.). JPC: updated in July 2017.

(iii) Sponge Iron: India, world's 2nd largest producer of sponge iron (2016, prov.), has a host of coal based units located in the mineral-rich states of the country. Over the years, the coal based route has emerged as a key contributor and accounted for 79% of total sponge iron production in the country. Capacity in sponge iron making too has increased over the years and stood at around 43 mt (2015-16).

### Steel Prices

- Price regulation of iron & steel was abolished on 16.1.1992. Since then steel prices are determined by the interplay of market forces.
- Domestic steel prices are influenced by trends in raw material prices, demand – supply conditions in the market, international price trends among others.
- An Inter-Ministerial Group (IMG) is functioning in the Ministry of Steel, under the Chairmanship of Secretary (Steel) to monitor and coordinate major steel investments in the country.
- As a facilitator, the Government monitors the steel market conditions and adopts fiscal and other policy measures based on its assessment. Currently, GST of 18% is applicable on steel and there is no export duty on steel items. The government has also imposed export duty of 30% on all forms of iron ore except low grade (below Fe 58%) iron ore lump & fines and iron ore pellets both of which have nil export duty.
- In view of rising imports, the Government had earlier raised import duty on most steel items twice, each time by 2.5% and imposed a gamut of measures including anti-dumping and safeguard duties on a host of applicable iron and steel items. In a further move to curb steel imports, the Indian government banned the production and sale of steel products that does not meet Bureau of Indian Standard (BIS) approval and to check the sale of defective and sub-standard stainless steel products used for making utensils and various kitchen appliances, it issued the Stainless Steel (Quality Control) Order, 2016 for products used in making utensils and kitchen appliances, that will help filter imports of the metal. Again, in February 2016, the Indian Government had imposed the Minimum Import Price (MIP) condition on 173 steel products. The MIP was extended thrice and ceased to be effective in February 2017. Currently, a mix of anti-dumping /safeguard and other measures are in place on a range of steel items to control the inflow of cheap steel. Further, a Steel Price Monitoring Committee has been constituted by the Government with the aim to monitor price rationalization, analyze price fluctuations and advise all concerned regarding any irrational price behavior of steel commodity.

(Source: <http://steel.gov.in/overview-steel-sector>)

### Investments

Steel industry and its associated mining and metallurgy sectors have seen a number of major investments and developments in the recent past.

According to the data released by Department of Industrial Policy and Promotion (DIPP), the Indian metallurgical industries attracted Foreign Direct Investments (FDI) to the tune of US\$ 10.56 billion in the period April 2000–December 2017.



## Government Initiatives

Some of the other recent government initiatives in this sector are as follows:

- Government of India's focus on infrastructure and restarting road projects is aiding the boost in demand for steel. Also, further likely acceleration in rural economy and infrastructure is expected to lead to growth in demand for steel.
- The Union Cabinet, Government of India has approved the National Steel Policy (NSP) 2017, as it seeks to create a globally competitive steel industry in India. NSP 2017 targets 300 million tonnes (MT) steel-making capacity and 160 kgs per capita steel consumption by 2030.
- Metal Scrap Trade Corporation (MSTC) Limited and the Ministry of Steel have jointly launched an e-platform called 'MSTC Metal Mandi' under the 'Digital India' initiative, which will facilitate sale of finished and semi-finished steel products.
- The Ministry of Steel is facilitating setting up of an industry driven Steel Research and Technology Mission of India (SRTMI) in association with the public and private sector steel companies to spearhead research and development activities in the iron and steel industry at an initial corpus of Rs 200 crore (US\$ 30 million).

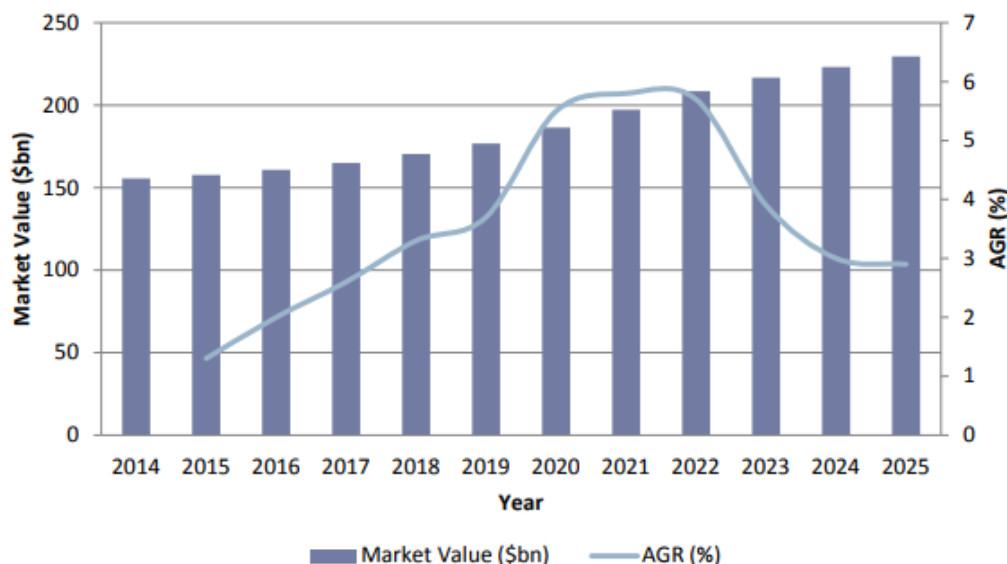
## Road ahead

India is expected to overtake Japan to become the world's second largest steel producer soon, and aims to achieve 300 million tonnes of annual steel production by 2025-30.

India is expected to become the second largest steel producer in the world by 2018, based on increased capacity addition in anticipation of upcoming demand, and the new steel policy, that has been approved by the Union Cabinet in May 2017, is expected to boost India's steel production. Huge scope for growth is offered by India's comparatively low per capita steel consumption and the expected rise in consumption due to increased infrastructure construction and the thriving automobile and railways sectors.

Exchange Rate Used: INR 1 = US\$ 0.015 as of March 01, 2018.

Source: <https://www.ibef.org/industry/steel.aspx>



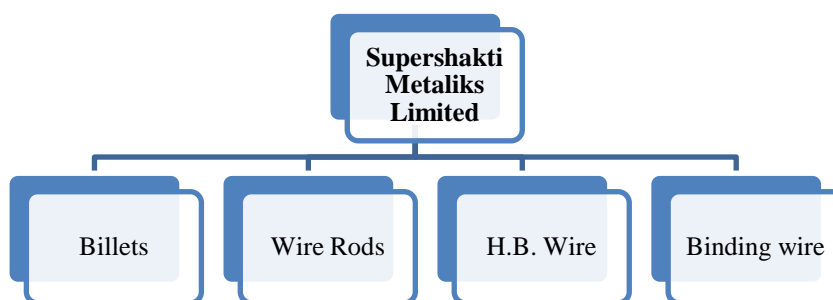
(Source: <https://www.marketresearch.com/product/sample-9101739.pdf>)

## SUMMARY OF OUR BUSINESS

Our company forms part of Sai Group which has carved itself into a well known group and established its goodwill in iron and steel manufacturing industry. Our specialized and dedicated team of professionals and engineers constantly keep abreast with the latest technology and trends as per the requirement of the industry.

Our company was incorporated on December 12, 2012 as 'Quentz Dealtrade Private Limited' under the provisions of Companies Act, 1956 with the Registrar of Companies, Kolkata. Further the name of our Company was changed to Supershakti Metaliks Private Limited vide special resolution passed at the Extra Ordinary General Meeting held on October 22, 2014. As a result of demerger through High Court order dated June 14, 2016 Super Smelters Limited, a company incorporated by our promoters Mr. Deepak Agarwal & Mr. Dilipp Agarwal, vested its Durgapur unit in our company with effect from April 01, 2015.

We are an ISO 9001: 2015 & ISO 14001: 2015 certified company. Our company strives to provide diversified products of steel, manufactured at our plant located at Kanjilal Avenue, Opp. DPL Zone "B" Substation, Durgapur – 713210 spread over 11.27 acres. The plant is fully geared with latest technologies to provide competitive edge in the industry and is also compliant with the laws and licenses applicable on it. We are operating a Steel Melting Section with installed capacity of 1,35,000 MTPA to produce semi finished product (i.e. Billet) and Rolling Mill Section with installed capacity of 1,62,000 MTPA to produce Wire Rods, HB Wires, Binding Wires etc. in our plant. Our company is using Electrotherm equipments for Induction furnace and Armech Engineering machineries for its Block Mill. We have successfully established our brand in wide range of steel manufacturing, steel processing and other allied activities.



Mr. Dilipp Agarwal & Mr. Deepak Agarwal are the Promoter Directors and Mr. Ajay Kumar Bajaj is a Whole-time Director, who have vast experience in steel industry. Further, we have a dedicated team of professionals to look after matching the standards with the industry

Our revenue has increased at a CAGR of 21.07% from ₹ 24,566.88 lakhs in F.Y. 2015-16 to ₹ 36,008.73 lakhs in F.Y. 2017-18. PBT has increased at a CAGR of 334.70% from ₹ 100.03 lakhs in F.Y. 2015-16 to ₹ 1,890.23 lakhs in F.Y. 2017-18.

## STRENGTHS



### ***1. Complimentary product mix & high operating efficiency***

As a steel manufacturer, we believe that our operations shall be sufficiently flexible to enable us to alter our product mix and position in order to minimize any adverse effect on our business in the highly cyclical steel industry, as prices and gross margins for each product in our production line vary and fluctuate. For e.g. Our Induction Furnace plant output i.e. Billets can be segregated and may be sold or may be provided as input for the Rolling Mills; and the output of rolling mill i.e. Wire rod can also be sold as well as used as input for the production of HB wire & Binding wire. We believe that our ability to change the product mix as and when required will give us the flexibility to serve a wide spectrum of clients, across various sectors.

The major raw material used in our manufacturing process i.e. sponge iron procured locally and also produced by our group company namely Super Smelters Limited. Further, every units finished product acts as a raw material for the next unit. Due to total integration, the company as a whole can reduce its cost of production and achieve better profitability. The company can sustain/absorb adverse market situation during cyclical recession.

### ***2. Experienced & Qualified Team:***

Our senior management team is experienced in this industry and in the application of marketing and distribution initiatives in this sector. The Promoter and the senior management team of our Company have significant industry experience and have been instrumental in the consistent growth of our Company's performance.

We believe that our management team's experience and their understanding of the Steel business will enable us to continue to take advantage of both current and future opportunities. It is also expected to help us on addressing and mitigating various risks inherent in our business, including significant competition. For further details on education, experience and other details of our Management and our Key Managerial Personnel, kindly refer to the Chapter titled "*Our Management*" beginning on page no. 118 of this Prospectus.

### ***3. Location of the Manufacturing Unit***

Our Company has manufacturing unit for the manufacture of its products located in the Kanjilal Avenue, opp. DPL Zone "B" Substation, Durgapur – 713210, West Bengal which is nearer to Kolkata Market.

- Well-developed industrial area having basic infrastructure facilities like power & water available locally;
- Availability of cheap labour from nearby villages and surrounding areas;
- Availability of skilled personnel from the nearby cities such as Kolkata;
- Proximity to Kolkata, which is one of the major market hubs in India.

#### ***4. Product diversification & Wide Product Offering***

Our Company enjoys a wide product range with diverse applications across downstream sectors. It possesses multiple manufacturing processes within the Plant with the ability to address customer orders with shrinking turnaround time. The Company has widest range of products enabling it to cater to wide spectrum of applications across the industries and balancing it out from market volatilities.

### **STRATEGIES**

The key elements of our strategy are as follows:

#### ***1. Expand Our Geographical network***

Our company has a prominent presence in Kolkata and nearby markets. Our historically developed distribution in domestic market has been critical to our growth. We intend to continue developing and nurturing existing market, and create new distribution channels in under and non-penetrated geographies. We aim to further develop our domestic sales networks in those territories where there are lower transportation costs and those which have a significant demand of our products, where we can sell at price-points that can effectively offset higher transportation costs. Such expansion plans are intended to be effected by in-house examination of the market potential of various territories and our available distribution network in such geographies.

#### ***2. Make optimal utilization of resources***

Our Company constantly endeavors to improve its productivity levels by optimum resource utilization, improvement in manufacturing process, skill up-gradation of our workers, modernization of machineries to achieve better asset turnover. We will continue to further improve our manufacturing processes to identify the areas of bottlenecks and correct them. This would help us in improving efficiency and putting resources to optimal use.

#### ***3. Increasing Operational efficiency***

We continue to invest in increasing our operational efficiency throughout the organization. We are addressing the increase in operational output through continuous process improvement, QC / QA activities, customer service, consistent quality and technology development. Alignment of our people to 'process improvement' through change management and upgrading of skills as required for customer satisfaction is a continuous activity. Awareness of this quality commitment is wide spread among all the employees

#### ***4. Competitive Pricing***

Price is an important aspect of a business' marketing mix and changing the price can drastically affect the marketing tactics necessary for success. To remain aggressive and capitalize a good market share, we believe in offering competitive prices to our customers. This helps us to sustain the cut-throat competition and withhold a strong position in the market. Further it helps us to prevent loss in company's market share.

## SUMMARY OF OUR FINANCIAL INFORMATION

### Annexure I

### RESTATED STATEMENT OF ASSETS AND LIABILITIES

(₹ in lakhs)

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
<b>EQUITY AND LIABILITIES</b>					
<b>1.Shareholder's fund</b>					
a) Equity Share Capital	496.24	496.24	496.24	1.00	1.00
b)Reserves and surplus	4,963.75	3,725.67	3,667.83	(0.35)	(0.23)
c) Share Application Money Pending Allotment					
<b>Total Shareholders Fund (Net of revaluation reserve) (1)</b>	<b>5,459.99</b>	<b>4,221.91</b>	<b>4,164.07</b>	<b>0.65</b>	<b>0.77</b>
<b>2.Non-current liabilities</b>					
a) Long Term Borrowings	20.92	8.74	17.72	-	-
b) Deferred Tax Liabilities	359.67	-	-	-	-
c) Long Term Provisions	87.15	68.52	54.87	-	-
<b>Total(2)</b>	<b>467.74</b>	<b>77.26</b>	<b>72.59</b>	<b>-</b>	<b>-</b>
<b>3.Current liabilities</b>					
a) Short-term borrowings	2,208.68	5,279.73	4,307.41	-	-
b) Trade payables	2,878.92	5,866.98	3,085.35	-	-
c) Other Current Liabilities	887.42	1,253.98	4,029.74	0.03	0.03
d) Short-term provisions	-	-	6.09	-	-
<b>Total(3)</b>	<b>5,975.02</b>	<b>12,400.69</b>	<b>11,428.59</b>	<b>0.03</b>	<b>0.03</b>
<b>TOTAL(1+2+3)</b>	<b>11,902.75</b>	<b>16,699.84</b>	<b>15,665.25</b>	<b>0.68</b>	<b>0.80</b>
<b>ASSETS</b>					
<b>1.Non - Current Assets</b>					
a) Fixed Assets					
i.) Tangible assets	3858.03	3,718.36	3,970.48	-	-
ii) Intangible assets	-	-	-	-	-
b) Capital Work in Progress	214.62	727.40	251.82	-	-
c)Deferred tax assets (Net)	-	179.92	185.42	-	-
d) Long Term Loans & Advances	744.77	514.46	275.22	-	-
e) Other Non Current Assets	14.72	24.61	46.78	-	-
<b>Total (1)</b>	<b>4,832.14</b>	<b>5,164.76</b>	<b>4,729.72</b>	<b>-</b>	<b>-</b>
<b>2.Current Assets</b>					
a) Inventories	2,649.64	2,991.76	4,872.83	-	-
b) Trade Receivables	2,605.42	5,208.51	4,507.69	-	-
c) Cash and Cash equivalents	1,276.24	434.86	235.04	0.68	0.80
d) Short-term loans and advances	481.58	1,135.01	1,301.10	-	-
e) Other current assets	57.72	1,764.94	18.86	-	-
<b>Total(2)</b>	<b>7,070.61</b>	<b>11,535.08</b>	<b>10,935.53</b>	<b>0.68</b>	<b>0.80</b>
<b>TOTAL(1+2)</b>	<b>11,902.75</b>	<b>16,699.84</b>	<b>15,665.25</b>	<b>0.68</b>	<b>0.80</b>

**Annexure II**  
**RESTATED STATEMENT OF PROFIT AND LOSS ACCOUNT**

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2018	2017	2016	2015	2014
<b>INCOME:</b>					
Revenue from Operations(Net)	35,615.93	26,728.47	21,782.08	-	-
Other Income	392.80	3373.94	2784.79	-	-
<b>Total income</b>	<b>36,008.73</b>	<b>30,102.41</b>	<b>24,566.87</b>	<b>-</b>	<b>-</b>
<b>EXPENSES:</b>					
Cost Of Material Consumed	22,491.11	18,029.26	14,390.36	-	-
Purchase of stock in Trade	16.50	-	-	-	-
Changes in Inventory	323.89	898.15	293.29	-	-
Employee Benefit Expenses	448.55	254.42	259.38	-	-
Finance Cost	368.98	454.66	688.46	-	-
Depreciation & Amortization cost	422.43	277.88	250.47	-	-
Other Expenses	10,047.04	10,112.25	8,584.88	0.12	0.12
<b>Total expenses</b>	<b>34,118.50</b>	<b>30,026.62</b>	<b>24,466.84</b>	<b>0.12</b>	<b>0.12</b>
<b>Exceptional and prior period items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Profit / (Loss) before Tax</b>	<b>1,890.23</b>	<b>75.79</b>	<b>100.03</b>	<b>(0.12)</b>	<b>(0.12)</b>
<b>Less: Tax expense</b>					
(a) Current Tax	418.24	29.47	-	-	-
(b) Deferred Tax	539.59	5.49	28.18	-	-
(c) MAT Credit entitlement	(305.68)	(17.01)	-	-	-
<b>Total</b>	<b>652.15</b>	<b>17.95</b>	<b>28.18</b>	<b>-</b>	<b>-</b>
<b>Net Profit / ( Loss ) for the period after tax but before extra ordinary items</b>	<b>1,238.08</b>	<b>57.84</b>	<b>71.85</b>	<b>(0.12)</b>	<b>(0.12)</b>
Extraordinary Items	-	-	-	-	-
<b>Net Profit / ( Loss ) for the period after tax and after extra ordinary items available for appropriation</b>	<b>1,238.08</b>	<b>57.84</b>	<b>71.85</b>	<b>(0.12)</b>	<b>(0.12)</b>
<b>Less : Proposed Dividend</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Dividend Distribution Tax	-	-	-	-	-
<b>Net Profit transferred to Reserves</b>	<b>1,238.08</b>	<b>57.84</b>	<b>71.85</b>	<b>(0.12)</b>	<b>(0.12)</b>



**Annexure III**  
**RESTATED STATEMENT OF CASH FLOW**

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2018	2017	2016	2015	2014
<b>Cash Flow From Operating Activities</b>					
<b>Net Profit Before Tax</b>	<b>1,890.23</b>	<b>75.79</b>	<b>100.03</b>	<b>(0.12)</b>	<b>(0.12)</b>
Adjustments for :					
Depreciation/Amortisation	422.43	277.88	250.47	-	-
Interest Received	(17.13)	(14.61)	(18.31)	-	-
Provision for Doubtful Debts	69.31	68.70	8.27	-	-
Bad Debts	91.15	387.28	-	-	-
Unrealized Foreign Exchange (Gain)/ Loss	-	-	5.45	-	-
Excess Liabilities Written Off	(103.24)	-	(141.68)	-	-
Interest Paid	368.98	454.66	688.46	-	-
Profit on transfer of property rights	-	(435.00)	-	-	-
Loss on sale of assets	40.05	0.03	-	-	-
<b>Operating Profit Before Working Capital Adjustments</b>	<b>2,761.78</b>	<b>814.73</b>	<b>892.69</b>	<b>(0.12)</b>	<b>(0.12)</b>
<b>Adjustment for Changes in Working Capital</b>					
Trade and other payable	(2,884.79)	2,781.62	(2,693.66)	-	-
Inventories	342.12	1,881.07	(169.15)	-	-
Trade and other Receivables	2,442.63	(1,156.81)	2,074.92	-	-
Short Term Loans and Advances	648.24	150.20	(946.20)	-	-
Other Current Assets	1,712.58	(1,730.02)	(13.70)	-	-
Short Term Provisions	-	(6.09)	(41.28)	-	-
Other Current Liabilities	(366.56)	(2,775.77)	3,162.40	-	-
Long term provision	18.63	13.65	54.87	-	-
<b>Cash Flow Generated from Operations</b>	<b>4,674.63</b>	<b>(27.42)</b>	<b>2,320.89</b>	<b>(0.12)</b>	<b>(0.12)</b>
Income Tax and Fringe Benefit Tax Paid	(343.01)	(251.64)	-	-	-
<b>Net Cash flow from Operating activities (A)</b>	<b>4,331.62</b>	<b>(279.06)</b>	<b>2,320.89</b>	<b>(0.12)</b>	<b>(0.12)</b>
<b>Cash Flow From Investing Activities</b>					
(Purchase)/Sale of Fixed Assets	(602.16)	(25.79)	(953.95)	-	-
Other Non-Current Assets	9.88	22.18	(46.78)	-	-
Proceeds from transfer of property rights	-	435.00	-	-	-
Long term loans & advances	-	(0.24)	(267.94)	-	-
Capital Work In progress	512.77	(475.58)	282.16	-	-
Fixed Deposit with Bank	55.21	(390.45)	-	-	-
Interest Received	17.13	14.61	18.31	-	-
<b>Net Cash Flow from Investing Activities (B)</b>	<b>(7.17)</b>	<b>(420.27)</b>	<b>(968.20)</b>	<b>-</b>	<b>-</b>
<b>Cash Flow From Financing Activities</b>					
Proceeds from/ ( Repayment of ) long term Borrowing	12.18	(8.98)	8.35	-	-
Short term borrowings from banks	(3,071.05)	972.33	(971.00)	-	-
Interest Paid	(368.98)	(454.66)	(688.46)	-	-
<b>Net Cash Flow from Financing Activities (C)</b>	<b>(3,427.85)</b>	<b>508.69</b>	<b>(1,651.11)</b>	<b>-</b>	<b>-</b>
<b>Net Increase/ ( Decrease) in Cash and Cash Equivalents ( A + B + C )</b>	<b>896.60</b>	<b>(190.64)</b>	<b>(298.42)</b>	<b>(0.12)</b>	<b>(0.12)</b>

Particulars	For the year ended March 31,				
	2018	2017	2016	2015	2014
Cash & Cash Equivalent as a result of Scheme of Arrangement.	-	-	532.78	-	-
Cash & Cash equivalent at the beginning of the year	44.40	235.04	0.68	0.80	0.92
<b>Cash &amp; Cash Equivalent at the end of the year</b>	<b>941.00</b>	<b>44.40</b>	<b>235.04</b>	<b>0.68</b>	<b>0.80</b>

Note: Cash & Equivalents consist of cash, balances with banks in current accounts and fixed deposits with less than 3 months maturities as per Annexure XX of the chapter titled '*Financials Statement*' on page 145 of this Prospectus.

## THE ISSUE

### PRESENT ISSUE IN TERMS OF THIS PROSPECTUS

<b>Equity Shares Issued<sup>(1)</sup>:</b> Present Issue of Equity Shares by our Company and the Selling Shareholders <sup>(2)</sup> :	16,00,200 Equity Shares of ₹ 10/- each for cash at a price of ₹ 375/- per share aggregating ₹ 6,000.75 lakhs.
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#### Consisting of:

<b>Fresh Issue</b>	8,00,200 Equity Shares of ₹ 10/- each for cash at a price of ₹ 375/- per share aggregating ₹ 3,000.75 lakhs.
<b>Offer for Sale</b>	8,00,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ 375/- per share aggregating ₹ 3,000.00 lakhs.

#### Which Comprises:

<b>Issue Reserved for the Market Maker</b>	80,400 Equity Shares of ₹ 10/- each for cash at a price of ₹ 375/- per share aggregating ₹ 301.50 lakhs
<b>Net Issue to the Public</b>	15,19,800 Equity Shares of ₹ 10/- each for cash at a price of ₹ 375/- per share aggregating ₹ 5,699.25 lakhs
	<b>Of which<sup>(3)</sup>:</b>
	7,59,900 Equity Shares of ₹ 10/- each at a price of ₹ 375/- per Equity Share will be available for allocation for Investors of up to ₹ 2.00 lakhs
	7,59,900 Equity Shares of ₹ 10/- each at a price of ₹ 375/- per Equity Share will be available for allocation for Investors of above ₹ 2.00 lakhs

<b>Equity Shares outstanding prior to the Issue</b>	49,62,439 Equity Shares
<b>Equity Shares outstanding after the Issue</b>	57,62,639 Equity Shares
<b>Objects of the Issue</b>	Please see the chapter titled “Objects of the Issue” beginning on page no. 67 of this Prospectus

<sup>(1)</sup> This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. For further details, please see the section titled “Issue Related Information” beginning on page no. 206 of this Prospectus.

<sup>(2)</sup> The present Issue has been authorized pursuant to a resolution of our Board dated May 04, 2018 and by Special Resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Annual General Meeting of our shareholders held with a shorter notice on May 10, 2018.

The Offer for Sale has been authorised by the Selling Shareholder by their consent letter dated May 04, 2018. The No. of Equity Shares offered by each Selling Shareholders are as follows:

Sr. No.	Name of the Selling Shareholders	No. of Equity Shares Offered
1.	Crawford Plantations Private Limited	3,52,386
2.	M/s. Sitaram Agarwal (HUF)	1,21,354
3.	Mr. Sitaram Agarwal	77,003
4.	Mrs. Sabita Agarwal	67,092
5.	Mrs. Vibha Agarwal	52,169
6.	Mrs. Priti Agarwal	48,361
7.	M/s. Deepak Agarwal (HUF)	41,751
8.	M/s. Dilipp Agarwal (HUF)	39,884
	<b>Total</b>	<b>8,00,000</b>

*The Selling Shareholders have severally confirmed that the Equity Shares proposed to be offered and sold in this Issue are eligible in term of SEBI (ICDR) Regulations and that they have not been prohibited from dealings in securities market and the Equity Shares offered and sold are free from any lien, encumbrance or third party rights. The Selling Shareholders have also severally confirmed that they are the legal and beneficial owners of the Equity Shares being offered by them under the Offer for Sale.*

*<sup>(3)</sup> Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Issue Price. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company and the Selling Shareholders in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.*

## GENERAL INFORMATION

Our Company was incorporated as Quentz Dealtrade Private Limited on December 12, 2012 under the Companies Act, 1956, as private limited company, with the Registrar of Companies, West Bengal bearing Registration No. 189128. The name of our Company was changed to Supershakti Metaliks Private Limited pursuant to shareholder's resolution passed on October 22, 2014 and a fresh Certificate of Incorporation pursuant to change of name issued by the Assist. Registrar of Companies, Kolkata on November 12, 2014. Subsequently, pursuant to resolution of shareholders on April 06, 2018, our Company was converted to a public limited company and the name of our Company was further changed to Supershakti Metaliks Limited. A fresh certificate of incorporation consequent on change of name was granted to our Company on May 03, 2018, by the Registrar of Companies, Kolkata.

The Corporate Identity Number of our Company is U28910WB2012PLC189128.

For further details, please refer to the chapter titled "*History and Certain Corporate Matters*" beginning on page no. 114 of this Prospectus.

### Brief Company and Offer Information

<b>Registered Office</b>	39, Shakespeare Sarani, 3 <sup>rd</sup> Floor, Kolkata - 700017. <b>Tel No.:</b> +91 33 2289 2734/35 <b>Fax No.:</b> +91 33 2289 2736 <b>Email:</b> info@ssml.in <b>Website:</b> www.supershaktimetaliks.com
<b>Date of Incorporation</b>	December 12, 2012
<b>Company Registration No.</b>	189128
<b>Corporate Identity No.</b>	U28910WB2012PLC189128
<b>Address of Registrar of Companies</b>	Nizam Palace, 2 <sup>nd</sup> MSO Building, 2 <sup>nd</sup> Floor 234/4, A.J.C. Bose Road, Kolkata - 700020 <b>Tel No.:</b> +91 33 2287 7390 <b>Fax No.:</b> +91 33 2290 3795 <b>Email:</b> roc.kolkata@mca.gov.in
<b>Designated Stock Exchange</b>	SME Platform of BSE Limited
<b>Company Secretary &amp; Compliance Officer</b>	Mr. Navin Agarwal 39, Shakespeare Sarani, 3 <sup>rd</sup> Floor, Kolkata - 700017. <b>Tel No.:</b> +91 33 2289 2734/35 <b>Fax No.:</b> +91 33 2289 2736 <b>Email:</b> info@ssml.in <b>Website:</b> www.supershaktimetaliks.com

### Board of Directors of our Company

The following table sets forth the Board of Directors of our Company:

Name	Designation	DIN
Mr. Dilipp Agarwal	Chairman & Non-Executive Director	00343856
Mr. Deepak Agarwal	Non-Executive Director	00343812
Mr. Ajay Kumar Bajaj	Whole-time Director	07604198
Mrs. Bhawna Khanna	Non-Executive Independent Director	06886294
Mr. Vijay Kumar Bhandari	Non-Executive Independent Director	00052716
Mr. Tuhinanshu Shekhar Chakrabarty	Non-Executive Independent Director	05328779

For further details pertaining to the educational qualification and experience of our Directors, for details please refer to the chapter titled "*Our Management*" beginning on page no. 118 of this Prospectus.

*Note: Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre or post-issue related problems, such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary account and unblocking of funds. All grievances relating to the Application process may be addressed to the Registrar to the Issue with a copy to the SCSBs, giving full details such as name, address of Applicant, application number, number of Equity Shares applied for, amount blocked on application and designated branch or the collection centre of the SCSB/ Designated Intermediary, where the Application Form was submitted by the Applicants.*

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

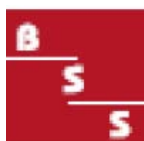
##### **LEAD MANAGER TO THE ISSUE**



##### **ARYAMAN FINANCIAL SERVICES LIMITED**

60, Khatau Building, Gr. Floor  
Alkesh Dinesh Modi Marg, Opp. P.J. Tower (BSE Bldg.)  
Fort, Mumbai – 400 001  
**Tel No.:** +91 22 6216 6999  
**Fax No.:** +91 22 2263 0434  
**Website:** [www.afsl.co.in](http://www.afsl.co.in)  
**Email:** [ipo@afsl.co.in](mailto:ipo@afsl.co.in)  
**Investor Grievance Email:** [feedback@afsl.co.in](mailto:feedback@afsl.co.in)  
**Contact Person:** Mr. Vatsal Ganatra  
**SEBI Registration No.:** INM000011344

##### **REGISTRAR TO THE ISSUE**



##### **BIGSHARE SERVICES PRIVATE LIMITED**

1<sup>st</sup> Floor, Bharat Tin Works Building  
Opp. Vasant Oasis, Makwana Road  
Marol, Andheri East, Mumbai – 400 059  
**Tel:** +91 22 6263 8200  
**Fax:** +91 22 6263 8299  
**Email:** [ipo@bigshareonline.com](mailto:ipo@bigshareonline.com)  
**Website:** [www.bigshareonline.com](http://www.bigshareonline.com)  
**Investor Grievance Email:** [investor@bigshareonline.com](mailto:investor@bigshareonline.com)  
**Contact Person:** Mr. Nilesh Chalke  
**SEBI Registration No.:** INR000001385

##### **LEGAL COUNSEL TO THE ISSUE**



##### **M/S KANGA & CO. (ADVOCATE AND SOLICITORS)**

Readymoney Mansion  
43, Veer Nariman Road, Fort  
Mumbai - 400 001  
**Tel No.:** +91 22 6623 0000 / 2288  
**Fax No.:** +91 22 6633 9656 / 57  
**Email:** [chetanthakkar@kangacompany.com](mailto:chetanthakkar@kangacompany.com)  
**Website:** [www.kangacompany.com](http://www.kangacompany.com)  
**Contact Person:** Mr. Chetan Thakkar

##### **STATUTORY AUDITOR OF THE COMPANY / PEER REVIEW AUDITOR OF THE COMPANY**

##### **M/s. Singhi & Co., Chartered Accountants**

161, Sarat Bose Road,  
Kolkata – 700 026  
**Tel No.:** +91 33 2419 6000  
**Fax No.:** +91 33 2230 7146  
**Email:** [kolkata@singhico.com](mailto:kolkata@singhico.com)  
**Website:** [www.singhico.com](http://www.singhico.com)



**Contact Person:** Mr. Anurag Singhi

#### **BANKERS TO OUR COMPANY**



##### **Indian Overseas Bank**

Large Corporate Branch  
6, Royd Street, Kolkata - 700016

**Tel No.:** +91 33 2227 1112

**Email:** [iob2987@iob.in](mailto:iob2987@iob.in)

**Contact Person:** Ms. Monalisha Chatterjee



##### **Union Bank of India**

Industrial Finance Branch  
1<sup>st</sup> Floor, 1/1 Camac Street, Kolkata – 700016

**Tel No.:** +91 33 2228 6332

**Fax No.:** +91 33 2226 5388

**Email:** [ifbkokatal@unionbankofindia.com](mailto:ifbkokatal@unionbankofindia.com)

**Contact Person:** Mr. Jitendra Rautela



##### **Dena Bank**

Brabourne Road Branch  
16A Brabourne Road, Kolkata - 700001

**Tel No.:** +91 33 2235 1396

**Email:** [brabou@denabank.co.in](mailto:brabou@denabank.co.in)

**Contact Person:** Mr. S N Sinha

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

#### **BANKERS TO THE ISSUE**



##### **AXIS BANK LIMITED**

Jeevan Prakash Building  
Sir P.M. Road, Fort, Mumbai - 400 001

**Tel No.:** +91 22 4086 7336 / 7474

**Fax No.:** +91 22 4086 7327 / 7378

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

**Email:** [fort.operationshead@axisbank.com](mailto:fort.operationshead@axisbank.com)

**Contact Person:** Mr. Sudhir Raje

**SEBI Registration No.:** INBI00000017

#### **SELF CERTIFIED SYNDICATE BANKS**

The lists of Banks that have been notified by SEBI to act as SCSBs for the ASBA process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSBs collecting the ASBA Application Forms, please see the above mentioned SEBI link.

#### **BROKERS TO THIS ISSUE**

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the Stock Exchange, at BSE Limited, as updated from time to time.

#### **REGISTRAR TO ISSUE AND SHARE TRANSFER AGENTS**

The list of the RTAs eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of Stock Exchange at BSE Limited, as updated from time to time.

## **COLLECTING DEPOSITORY PARTICIPANTS**

The list of the CDPs eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange at BSE Limited, as updated from time to time.

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

## **INTER-SE ALLOCATION OF RESPONSIBILITIES**

Aryaman Financial Services Limited is the Sole Lead Manager to this Issue, and hence is responsible for all the Issue management related activities.

## **MONITORING AGENCY**

As per Regulation 16(1) of the SEBI (ICDR) Regulations, 2009 the requirement of Monitoring Agency is not mandatory if the Fresh Issue size is below ₹ 10,000 lakhs and hence our Company has not appointed a monitoring agency for this issue.

Pursuant to Regulation 32(3) of the SEBI (LODR) Regulations, 2015, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Net Proceeds. Until such time as any part of the Net Proceeds remains unutilized, our Company will disclose the utilization of the Net Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Net Proceeds have been utilized so far, and details of amounts out of the Net Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Net Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a fiscal, we will utilize such unutilized amount in the next fiscal.

Further, in accordance with Regulation 32(1)(a) of the SEBI (LODR) Regulations, 2015, our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Net Proceeds for the objects stated in this Prospectus.

## **IPO GRADING**

No credit rating agency registered with SEBI has been appointed for grading the Issue.

## **TRUSTEES**

This being an Issue of Equity Shares, the appointment of trustees is not required.

## **DETAILS OF THE APPRAISING AUTHORITY**

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

## **CREDIT RATING**

This being an Issue of Equity Shares, no credit rating is required.

## **EXPERT OPINION**

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent from the Statutory Auditor namely, M/s. Singhi & Co., Chartered Accountants to include their name as required under section 26(1)(a)(v) of the Companies Act, 2013 in this Prospectus and as "Expert" as defined under section 2(38) of the Companies Act, 2013 in respect of the reports on the Restated Financial Statements dated June 18, 2018 and the Statement of Tax Benefits dated May 10,

2018, issued by them, included in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

## ISSUE PROGRAMME

An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
Offer Opening Date	July 17, 2018
Offer Closing Date	July 20, 2018
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or before July 25, 2018
Initiation of Allotment / Refunds / Unblocking of Funds	On or before July 26, 2018
Credit of Equity Shares to demat accounts of Allottees	On or before July 27, 2018
Commencement of trading of the Equity Shares on the Stock Exchange	On or before July 30, 2018

The above timetable is indicative and does not constitute any obligation on our Company, Selling Shareholders or the Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company, or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Applications and any revision to the same shall be accepted only between 10.00 a.m. and 5.00 p.m. (IST) during the Issue Period (except for the Issue Closing Date). On the Issue Closing Date, the Applications and any revision to the same shall be accepted between 10.00 a.m. and 3.00 p.m. (IST) or such extended time as permitted by the Stock Exchanges, in case of Applications by Retail Individual Applicants after taking into account the total number of applications received up to the closure of timings and reported by the Lead Manager to the Stock Exchanges. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Applicants are advised to submit their Applications one day prior to the Issue Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this Prospectus are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, as is typically experienced in public offerings, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Applications will be accepted only on Business Days. Neither our Company nor the Selling Shareholders nor the Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

In accordance with the SEBI Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their Applications (in terms of the quantity of the Equity Shares or the Applications Amount) at any stage. Retail Individual Applicants can revise or withdraw their Applications prior to the Issue Closing Date. Except Allocation to Retail Individual Investors, Allocation in the Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-a-vis the data contained in the physical Application Form, for a particular Applicant, the details as per the file received from the Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-a-vis the data contained in the physical or electronic Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / Stock Brokers, as the case may be, for rectified data.

## UNDERWRITING

This Issue is 100% Underwritten. Our Company and the Selling Shareholders have entered into an Underwriting Agreement dated May 10, 2018 and addendum dated June 21, 2018 with the Underwriters for the Equity Shares proposed to be offered through the Issue. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have given their consent for inclusion of their name in the Draft Prospectus/ Prospectus as Underwriters and have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

Details of the Underwriter	No. of Shares Underwritten	Amt Underwritten (₹ in lakhs)	% of the Total Issue Size Underwritten
<b>Aryaman Financial Services Ltd.</b> 60, Khatau Building, Gr. Floor Alkesh Dinesh Modi Marg Opp. P.J. Tower (BSE Bldg.) Fort, Mumbai – 400 001 <b>Tel. No.:</b> +91 22 6216 6999 <b>Fax No.:</b> +91 22 2263 0434 <b>Email:</b> ipo@afsl.co.in	15,19,800	5,699.25	94.98%
<b>Aryaman Capital Markets Ltd.</b> 60, Khatau Building, Gr. Floor, Alkesh Dinesh Modi Marg Opp. P.J. Tower (BSE Bldg.) Fort, Mumbai – 400 001 <b>Tel. No.:</b> +91 22 6216 6999 <b>Fax No.:</b> +91 22 2263 0434 <b>Email:</b> aryacapm@gmail.com	80,400	301.50	5.02%
<b>Total</b>	<b>16,00,200</b>	<b>6,000.75</b>	<b>100.00%</b>

As per Regulation 106 P (2) of SEBI (ICDR) Regulations, 2009, the LM has agreed to underwrite to a minimum extent of 15% of the Issue out of its own account.

In the opinion of the Board of Directors (based on certificate given by the Underwriters), the resources of the above mentioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The above – mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as broker with the Stock Exchange.

## WITHDRAWAL OF THE ISSUE

Our Company and the Selling Shareholders, in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event our Company would issue a public notice in the newspapers, in which the pre-offer advertisements were published, within two days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one day of receipt of such notification. Our Company and the Selling Shareholders shall also promptly inform the Stock Exchange on which the Equity Shares were 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 our Company shall apply for after Allotment. If our Company and the Selling Shareholders withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Draft Prospectus.

**MARKET MAKER****ARYAMAN CAPITAL MARKETS LIMITED**

60, Khatau Building, Gr. Floor  
Alkesh Dinesh Modi Marg, Opp. P. J. Tower (BSE Bldg.)  
Fort, Mumbai - 400 001  
**Tel. No.:** +91 22 6216 6999  
**Fax No.:** +91 22 2263 0434  
**Email:** aryacpm@gmail.com  
**Contact Person:** Mr. Harshad Dhanawade  
**SEBI Registration No.:** INZ000004739  
**Market Maker Reg. No.:** SMEMM0651421122012

**Details of the Market Making Arrangement for this Issue**

Our Company and the Lead Manager, Aryaman Financial Services Limited have entered into an agreement dated May 10, 2018 and addendum dated June 21, 2018 with Aryaman Capital Markets Ltd., a Market Maker registered with the SME Platform of BSE in order to fulfill the obligations of Market Making and ACML has given its consent for inclusion of its name in the Prospectus as Market Maker.

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

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

1. The Market Maker 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 shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The minimum depth of the quote shall be ₹ 1,00,000. However, the investors with holdings of value less than ₹ 1,00,000 shall be allowed to issue their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
3. The Inventory Management and Buying / Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and SME Platform of BSE from time to time.
4. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
5. There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
6. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
7. The Market Maker may also be present in the opening call auction, but there is no obligation on him to do so.
8. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems or any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.

9. The Market Maker shall have the right to terminate said arrangement by giving a three months notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker.
10. In case of termination of the above mentioned Market Making Agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI (ICDR) Regulations, 2009. Further the Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particulars point of time.
11. **Risk containment measures and monitoring for Market Maker:** SME Platform of BSE 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. **Punitive Action in case of default by Market Maker:** SME Platform of BSE will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.
13. 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.
14. **Price Band and Spreads:** SEBI Circular bearing reference no. CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to ₹ 25,000 lakhs, the applicable price bands for the first day shall be:
  - a. 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.
  - b. 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.
  - c. Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading.

The following spread will be applicable on the BSE SME Exchange/ Platform:

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

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



## CAPITAL STRUCTURE

The share capital of the Company as on the date of this Prospectus is set forth below:

(₹ in lakhs, except share data)

Sr. No.	Particulars	Aggregate Value at Nominal Value	Aggregate Value at Issue Price
<b>A</b>	<b>Authorised Share Capital</b>		
	60,00,000 Equity Shares of face value of ₹ 10 each	600.00	-
<b>B</b>	<b>Issued, Subscribed and Paid-up Share Capital before the Issue</b>		
	49,62,439 Equity Shares of face value of ₹ 10 each	496.24	-
<b>C</b>	<b>Present Issue in terms of this Prospectus<sup>(1)</sup></b>		
	Issue of 16,00,200 Equity Shares of ₹ 10/- each at a price of ₹ 375/- per equity Share	160.02	6,000.75
	<b>Consisting of:</b>		
	Fresh Issue 8,00,200 Equity Shares of ₹ 10/- each for cash at a price of ₹ 375/- per share	80.02	3,000.75
	Offer for Sale of 8,00,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ 375/- per share <sup>(2)</sup>	80.00	3,000.00
	<b>Which comprises of:</b>		
	80,400 Equity Shares of ₹ 10/- each at a price of ₹ 375/- per Equity Share reserved as Market Maker Portion	8.04	301.50
	Net Issue to Public of 15,19,800 Equity Shares of ₹ 10/- each at a price of ₹ 375/- per Equity Share to the Public	151.98	5,699.25
	<b>Of which:</b>		
	7,59,900 Equity Shares of ₹ 10/- each at a price of ₹ 375/- per Equity Share will be available for allocation for Investors of up to ₹ 2.00 lakhs	75.99	2,849.63
	7,59,900 Equity Shares of ₹ 10/- each at a price of ₹ 375/- per Equity Share will be available for allocation for Investors of above ₹ 2.00 lakhs	75.99	2,849.63
<b>D</b>	<b>Equity Share Capital after the Issue</b>		
	57,62,639 Equity Shares of ₹ 10 each		576.26
<b>E</b>	<b>Securities Premium Account</b>		
	Before the Issue (as on date of this Prospectus)		2,884.49 <sup>(3)</sup>
	After the Issue		5,805.22

<sup>(1)</sup> The present Issue has been authorized pursuant to a resolution of our Board dated May 04, 2018 and by Special Resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Annual General Meeting of our shareholders held with a shorter notice on May 10, 2018.

<sup>(2)</sup> The Offer for Sale has been authorised by the Selling Shareholders by their consent letter dated May 04, 2018. The No. of Equity Shares offered by each Selling Shareholders are as follows:

Sr. No.	Name of the Selling Shareholders	No. of Equity Shares Offered
1.	Crawford Plantations Private Limited	3,52,386
2.	M/s. Sitaram Agarwal (HUF)	1,21,354
3.	Mr. Sitaram Agarwal	77,003
4.	Mrs. Sabita Agarwal	67,092

Sr. No.	Name of the Selling Shareholders	No. of Equity Shares Offered
5.	Mrs. Vibha Agarwal	52,169
6.	Mrs. Priti Agarwal	48,361
7.	M/s. Deepak Agarwal (HUF)	41,751
8.	M/s. Dilipp Agarwal (HUF)	39,884
	<b>Total</b>	<b>8,00,000</b>

The Selling Shareholders have severally confirmed that the Equity Shares proposed to be offered and sold in this Issue are eligible in term of SEBI (ICDR) Regulations and that they have not been prohibited from dealings in securities market and the Equity Shares offered and sold are free from any lien, encumbrance or third party rights. The Selling Shareholders have also severally confirmed that they are the legal and beneficial owners of the Equity Shares being offered by them under the Offer for Sale.

- (3) Pursuant to Scheme of Arrangement for Demerger under Section 391 to 394 and Sections 100 to 103 of the Companies Act, 1956 amongst Super Smelters Limited ("The Demerged Company"), their respective shareholders and our Company, as sanctioned by the Order of Hon'ble High Court of judicature at Calcutta dated 14<sup>th</sup> June, 2016, the Durgapur Unit along with its related assets and liabilities has been transferred to our Company w.e.f. April 01, 2015. Further as per the said Scheme, all the Equity Shares issued previously were cancelled, extinguished and annulled as per the provisions of the Scheme. The Securities Premium Account was credited with ₹ 2,884.49 pursuant to adjustment to the Scheme of Arrangement and cancellation of shares as a result of such Scheme.

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

### Changes in Authorised Share Capital

Since incorporation, the capital structure of our Company has been altered in the following manner:

- The initial authorized capital of ₹ 1,00,000 divided into 1,00,000 Equity Shares of Re. 1 each was consolidated to 10,000 Equity Shares of ₹ 10/- each, pursuant to resolution of shareholders passed at the EGM held on March 15, 2013.
- The Authorised Share Capital of our Company was increased from ₹ 1,00,000 divided into 10,000 Equity Shares of ₹ 10/- each to ₹ 5,00,00,000 divided into 50,00,000 Equity Shares of ₹ 10/- each, pursuant to resolution of shareholders passed at the EGM held on January 20, 2016.
- The Authorised Share Capital of our Company was increased from ₹ 5,00,00,000 divided into 50,00,000 Equity Shares of ₹ 10/- each to ₹ 6,00,00,000 divided into 60,00,000 Equity Shares of ₹ 10/- each, pursuant to resolution of shareholders passed at the EGM held on March 19, 2018.

### NOTES TO THE CAPITAL STRUCTURE

#### 1) Share Capital History of our Company:

##### a) Equity Share Capital

Our Company has made allotments of Equity Shares from time to time. The following is the Equity Share Capital Build-up of our Company:

Date of Allotment of Equity Shares	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature / Reason of Allotment	Nature of Consideration	Cumulative No. of Equity Shares	Cumulative Paid Up Share Capital (₹)
On Incorporation	1,00,000	1	1	Subscription to MoA	Cash	1,00,000	1,00,000
March 15, 2013	Consolidation of the Face Value of the Equity Shares from Re. 1 to ₹ 10 each.					10,000	1,00,000

Date of Allotment of Equity Shares	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature / Reason of Allotment	Nature of Consideration	Cumulative No. of Equity Shares	Cumulative Paid Up Share Capital (₹)
August 08, 2016 <sup>(1)</sup>	Cancellation of 10,000 Equity Shares <sup>(1)</sup>						
August 08, 2016 <sup>(1)</sup>	49,62,439	10	NA <sup>(1)</sup>	Allotment pursuant to Scheme of Demerger	Other than Cash	49,62,439	4,96,24,390

<sup>(1)</sup> Pursuant to Scheme of Arrangement for Demerger under Section 391 to 394 and Sections 100 to 103 of the Companies Act, 1956 amongst Super Smelters Limited ("The Demerged Company") and their respective shareholders as sanctioned by the Order of Hon'ble High Court of judicature at Calcutta dated 14<sup>th</sup> June, 2016, our Company has allotted 49,62,439 Equity Shares to the members of Demerged Company as on August 01, 2016 vide resolution passed on August 08, 2016 by the Board of Directors. Further as per the said Scheme, all the Equity Shares issued previously shall stand cancelled, extinguished and annulled as per the provisions of the Scheme.

- b) Our Company has not issued any Equity Shares for consideration other than cash except as mentioned under Note 1 (a) of chapter titled "Capital Structure" beginning on page no. 55 of this Prospectus.
- c) Except as mentioned below, no shares have been allotted in terms of any scheme approved under sections 391-394 of the Companies Act, 1956:

Date of Allotment	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Nature of Consideration
August 08, 2016 <sup>(1)</sup>	49,62,439	10	NA <sup>(1)</sup>	Allotment pursuant to Scheme of Demerger	Other than Cash

<sup>(1)</sup> Pursuant to Scheme of Arrangement for Demerger under Section 391 to 394 and Sections 100 to 103 of the Companies Act, 1956 amongst Super Smelters Limited ("The Demerged Company") and their respective shareholders as sanctioned by the Order of Hon'ble High Court of judicature at Calcutta dated 14<sup>th</sup> June, 2016, our company has allotted 49,62,439 Equity Shares to the members of Demerged Company as on August 01, 2016 vide resolution passed on August 08, 2016 by the Board of Directors. For further details, please see the section titled "History and Certain Corporate Matters" beginning on page no. 114 of this Prospectus.

- d) No bonus shares have been issued out of Revaluation Reserves.
- e) No shares have been issued at a price lower than the Issue Price within the last one year from the date of the Prospectus.

**f) Shareholding of our Promoter**

Set forth below are the details of the build-up of shareholding of our Promoters:

<i>Date of Allotment / Transfer</i>	<i>Nature of Transaction</i>	<i>Consideration</i>	<i>No. of Shares</i>	<i>Face Value (₹)</i>	<i>Issue/ Transfer Price (₹)</i>	<i>Cumulative no. of Shares</i>	<i>% of Pre- Issue Paid Up Capital</i>	<i>% of Post- Issue Paid Up Capital</i>	<i>Lock – in Period</i>
<b>Mr. Dilipp Agarwal</b>									
March 30, 2013 <sup>(1)</sup>	Transfer	Cash	10	10	10	10	Negligible	Negligible	-
August 08, 2016 <sup>(2)</sup>	Cancellation pursuant to Scheme of Demerger	Other than Cash	(10)	10	NA <sup>(2)</sup>	-	-	-	-
August 08, 2016 <sup>(2)</sup>	Allotment pursuant to Scheme of Demerger	Other than Cash	62,616	10	NA <sup>(2)</sup>	62,616	1.26%	1.09%	3 Years
<b>Mr. Deepak Agarwal</b>									
March 30, 2013 <sup>(1)</sup>	Transfer	Cash	10	10	10	10	Negligible	Negligible	-
August 08, 2016 <sup>(2)</sup>	Cancellation pursuant to Scheme of Demerger	Other than Cash	(10)	10	NA <sup>(2)</sup>	-	-	-	-
August 08, 2016 <sup>(2)</sup>	Allotment pursuant to Scheme of Demerger	Other than Cash	75,158	10	NA <sup>(2)</sup>	75,158	1.51%	1.30%	3 Years
April 28, 2017	Transfer	Cash	435	10	86	75,593	0.01%	0.01%	3 Years
<b>Veerbhadra Sales Private Limited</b>									
August 08, 2016 <sup>(2)</sup>	Allotment pursuant to Scheme of Demerger	Other than Cash	8,11,102	10	NA <sup>(2)</sup>	8,11,102	16.35%	14.08%	3 Years
<b>Khandelwal Finance Private Limited</b>									
August 08, 2016 <sup>(2)</sup>	Allotment pursuant to Scheme of Demerger	Other than Cash	2,10,689	10	NA <sup>(2)</sup>	3,05,225	4.25%	3.66%	3 Years
			94,536				1.91%	1.64%	1 Year

<sup>(1)</sup> Held as nominee shareholder of Super Smelters Limited.

<sup>(2)</sup> Pursuant to Scheme of Arrangement for Demerger under Section 391 to 394 and Sections 100 to 103 of the Companies Act, 1956 amongst Super Smelters Limited (“The Demerged Company”) and their respective shareholders, our company has allotted 49,62,439 Equity Shares to the members of Demerged Company vide resolution passed on August 08, 2016 by the Board of Directors.

<sup>(3)</sup> 11,60,000 Equity Shares of Promoters have been locked-in for a period of three years and remaining for a period of one year.

Notes:

- None of the shares belonging to our Promoter has been pledged till date.
- The entire pre-Issue Promoters' shares shall be subject to lock-in from the date of allotment of the equity shares issued through this Prospectus for periods as per applicable Regulations of the SEBI (ICDR) Regulations. For details please see Note no. 2 of the "Notes to the Capital Structure" on page no. 56 of this Prospectus.
- Our Promoters have confirmed to the Company and the Lead Manager that the Equity Shares held by our Promoters have been financed from their personal funds and no loans or financial assistance from any bank or financial institution has been availed for this purpose.
- All the shares held by our Promoters, were fully paid-up on the respective dates of acquisition of such shares.

g) The shareholding of the Directors of our Corporate Promoters in our Company is as below:

Name of Director	No. of Shares held	% of Pre-Issue Share Capital
<b>Veerbhadra Sales Private Limited</b>		
Mr. Dilipp Agarwal	62,616	1.26%
Mr. Deepak Agarwal	75,593	1.52%
<b>Total</b>	<b>1,38,209</b>	<b>2.79%</b>
<b>Khandelwal Finance Private Limited</b>		
Mrs. Priti Agarwal	7,24,861 <sup>(1)</sup>	14.61%
Mrs. Vibha Agarwal	7,15,669 <sup>(1)</sup>	14.42%
<b>Total</b>	<b>14,40,530</b>	<b>29.03%</b>

<sup>(1)</sup> Mrs. Priti Agarwal offers 48,361 Equity Shares in Offer for Sale in the Issue out of her total holding of 7,24,861 Equity Shares and Mrs. Vibha Agarwal offers 52,169 Equity Shares in Offer for Sale in the Issue out of her total holding of 7,15,669 Equity Shares vide consent letter dated May 04, 2018.

- h) None of the members of the Promoter, Promoter Group, Directors, Directors of our Corporate Promoter and their immediate relatives have purchased or sold any Equity shares of our Company within the last six months from the date of the Draft Prospectus.
- i) None of the members of the Promoter Group, Directors, Directors of our Corporate Promoter and their immediate relatives have financed the purchase by any other person of Equity shares of our Company other than in the normal course of business of the financing entity within the period of six months immediately preceding the date of this Prospectus.

## 2) Promoters' Contribution and other Lock-In details:

### i. Details of Promoters' Contribution locked-in for 3 years

Pursuant to the Regulation 32(1) and 36(a) of the SEBI (ICDR) Regulations, an aggregate of 20% of the Post-Issue Equity Share Capital held by our Promoter 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.

The details of the Promoter's Equity Shares proposed to be locked-in for a period of three years are as follows:

Name of Promoter	No. of Shares locked in <sup>(1)</sup>	As a % of Post Issue Share Capital
Mr. Dilipp Agarwal	62,616	1.09%

Name of Promoter	No. of Shares locked in <sup>(1)</sup>	As a % of Post Issue Share Capital
Mr. Deepak Agarwal	75,593	1.31%
Veerbhadra Sales Private Limited	8,11,102	14.08%
Khandelwal Finance Private Limited	2,10,689	3.66%
<b>Total</b>	<b>11,60,000</b>	<b>20.14%</b>

<sup>(1)</sup> For details on the date of Allotment of the above Equity Shares, the nature of Allotment, face value and the price at which they were acquired, please refer Note no. 1(f) under “Notes to Capital Structure” on page no. 56 of this Prospectus.

We confirm that in compliance with regulation 33 of SEBI ICDR Regulations, the minimum Promoter contribution of 20% as shown above which is subject to lock-in for three years does not consist of:

- (1) Equity Shares acquired during the preceding three years for consideration other than cash and out of revaluation of assets or capitalization of intangible assets, except for such securities are acquired pursuant to a scheme which has been approved under sections 391-394 of the Companies Act, 1956
- (2) Equity Shares resulting from bonus shares out of revaluation reserves or reserves without accrual of cash resources or from bonus issue against equity shares which are ineligible for minimum promoters’ contribution.
- (3) Equity Shares acquired by the Promoter during the preceding one year, at a price lower than the price at which Equity Shares are being offered to public in the Issue, except the bonus shares issued.
- (4) The Equity Shares held by the Promoter and offered for minimum 20% Promoters’ Contribution are not subject to any pledge.
- (5) Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoters’ Contribution subject to lock-in.
- (6) Equity shares issued to our Promoters on conversion of Partnership Firms into Limited Companies.

The minimum Promoters’ Contribution has been brought to the extent of not less than the specified minimum lot and from the persons defined as Promoters under the SEBI (ICDR) Regulations, 2009. The Promoters’ Contribution constituting 20.14% of the post-issue capital shall be locked-in for a period of three years from the date of Allotment of the Equity Shares in the Issue.

**We further confirm that our Promoters’ Contribution of 20.14% of the Post Issue Equity does not include any contribution from Alternative Investment Funds.**

## **ii. Details of Shares locked-in for one year**

- a) Pursuant to Regulation 37 of the SEBI (ICDR) Regulations, in addition to the Promoters’ Contribution to be locked-in for a period of 3 years, as specified above, the entire Pre-Issue Equity Share capital will be locked in for a period of one (1) year from the date of Allotment in this Issue, other than the Equity Shares allotted and subscribed pursuant to the Offer for Sale.
- b) Pursuant to Regulation 39 of the SEBI Regulations, the Equity Shares held by our Promoter can be pledged only with banks or financial institutions as collateral security for loans granted by such banks or financial institutions for the purpose of financing one or more of the objects of the Issue and the pledge of shares is one of the terms of sanction of such loan. However, as on date of this Prospectus, none of the Equity Shares held by our Promoter has been pledged to any person, including banks and financial institutions.
- c) Pursuant to Regulation 40 of the SEBI (ICDR) Regulations, Equity Shares held by our Promoter, which are locked in as per Regulation 36 of the SEBI (ICDR) Regulations, may be transferred to and amongst our Promoter/ Promoter Group or to a new promoter or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as applicable.
- d) Pursuant to Regulation 40 of the SEBI (ICDR) Regulations, Equity Shares held by shareholders other than our Promoter, which are locked-in as per Regulation 37 of the SEBI (ICDR) Regulations, may be transferred to any other person holding shares, subject to continuation of the lock-in in the hands of the



transferees for the remaining period and compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as applicable.

### 3) Pre-Issue and Post-Issue Shareholding of our Promoter and Promoter' Group

Set forth is the shareholding of our Promoter and Promoter Group before and after the proposed issue:

Category of Promoters	Pre Issue		Post Issue	
	No. of Shares	%	No. of Shares	%
<b>1. Promoter</b>				
Mr. Dilipp Agarwal	62,616	1.26%	62,616	1.09%
Mr. Deepak Agarwal	75,593	1.52%	75,593	1.31%
Veerbhadra Sales Private Limited	8,11,102	16.35%	8,11,102	14.08%
Khandelwal Finance Private Limited	3,05,225	6.15%	3,05,225	5.30%
<b>2. Promoter Group (as defined by SEBI (ICDR) Regulations)</b>				
Mrs. Sabita Agarwal	8,06,663	16.26%	7,39,571	12.83%
Mrs. Priti Agarwal	7,24,861	14.61%	6,76,500	11.74%
Mrs. Vibha Agarwal	7,15,669	14.42%	6,63,500	11.51%
Mr. Sitaram Agarwal	77,003	1.55%	Nil <sup>(1)</sup>	Nil <sup>(1)</sup>
M/s. Sitaram Agarwal (HUF)	1,21,354	2.44%	Nil <sup>(1)</sup>	Nil <sup>(1)</sup>
M/s. Dilipp Agarwal (HUF)	39,884	0.80%	Nil <sup>(1)</sup>	Nil <sup>(1)</sup>
M/s. Deepak Agarwal (HUF)	41,751	0.84%	Nil <sup>(1)</sup>	Nil <sup>(1)</sup>
Crawford Plantations Private Limited	3,52,386	7.10%	Nil <sup>(1)</sup>	Nil <sup>(1)</sup>
Aabha Sales Private Limited	3,67,026	7.40%	3,67,026	6.37%
Avantika Tie-up Private Limited	4,61,306	9.30%	4,61,306	8.01%
<b>Total Promoter &amp; Promoter Group Holding</b>	<b>49,62,439</b>	<b>100.00%</b>	<b>41,62,439</b>	<b>72.23%</b>
<b>Total Paid up Capital</b>	<b>49,62,439</b>	<b>100.00%</b>	<b>57,62,639</b>	<b>100.00%</b>

<sup>(1)</sup> Entire Pre-Issue holding of Mr. Sitaram Agarwal, M/s. Sitaram Agarwal HUF, M/s. Dilipp Agarwal (HUF), M/s. Deepak Agarwal (HUF), Crawford Plantations Private Limited is offered by them as part of the Offer for Sale in the Issue by their consent letter dated May 04, 2018.

### 4) Details of Offer for Sale

The following are the details of the Equity Shares being offered as part of the Offer for Sale:

Sr. No.	Name of Selling Shareholders	Total Number of Equity Shares currently held	Number of Equity Shares offered for the Offer for Sale
1.	Crawford Plantations Private Limited	3,52,386	3,52,386
2.	M/s. Sitaram Agarwal (HUF)	1,21,354	1,21,354
3.	Mr. Sitaram Agarwal	77,003	77,003
4.	Mrs. Sabita Agarwal	8,06,663	67,092
5.	Mrs. Vibha Agarwal	7,15,669	52,169
6.	Mrs. Priti Agarwal	7,24,861	48,361
7.	M/s. Deepak Agarwal (HUF)	41,751	41,751
8.	M/s. Dilipp Agarwal (HUF)	39,884	39,884
<b>Total</b>		<b>28,79,571</b>	<b>8,00,000</b>

Set forth below are the details of the build-up of Equity Shares offered for the Offer for Sale by the respective Selling Shareholders:

<i>Date of Allotment / Transfer</i>	<i>Nature of Transaction</i>	<i>Consideration</i>	<i>No. of Shares</i>	<i>Face Value (₹)</i>	<i>Issue Price (₹)</i>	<i>Cumulative no. of Shares</i>
<b><i>Crawford Plantations Private Limited</i></b>						
August 08, 2016 <sup>(1)</sup>	Allotment pursuant to Scheme of Demerger	Other than Cash	6,40,947	10	NA <sup>(1)</sup>	6,40,947
April 28, 2017	Transfer	Cash	(2,88,561)	10	86	3,52,386
<b><i>M/s. Sitaram Agarwal (HUF)</i></b>						
August 08, 2016 <sup>(1)</sup>	Allotment pursuant to Scheme of Demerger	Other than Cash	1,21,354	10	NA <sup>(1)</sup>	1,21,354
<b><i>Mr. Sitaram Agarwal</i></b>						
August 08, 2016 <sup>(1)</sup>	Allotment pursuant to Scheme of Demerger	Other than Cash	77,003	10	NA <sup>(1)</sup>	77,003
<b><i>Mrs. Sabita Agarwal</i></b>						
August 08, 2016 <sup>(1)</sup>	Allotment pursuant to Scheme of Demerger	Other than Cash	67,092	10	NA <sup>(1)</sup>	67,092
April 28, 2017	Transfer	Cash	7,39,571	10	86	8,06,663
<b><i>Mrs. Vibha Agarwal</i></b>						
August 08, 2016 <sup>(1)</sup>	Allotment pursuant to Scheme of Demerger	Other than Cash	52,169	10	NA <sup>(1)</sup>	52,169
April 28, 2017	Transfer	Cash	6,63,500	10	86	7,15,669
<b><i>Mrs. Priti Agarwal</i></b>						
August 08, 2016 <sup>(1)</sup>	Allotment pursuant to Scheme of Demerger	Other than Cash	48,361	10	NA <sup>(1)</sup>	48,361
April 28, 2017	Transfer	Cash	6,76,500	10	86	7,24,861
<b><i>M/s. Deepak Agarwal (HUF)</i></b>						
August 08, 2016 <sup>(1)</sup>	Allotment pursuant to Scheme of Demerger	Other than Cash	41,751	10	NA <sup>(1)</sup>	41,751
<b><i>M/s. Dilipp Agarwal (HUF)</i></b>						
August 08, 2016 <sup>(1)</sup>	Allotment pursuant to Scheme of Demerger	Other than Cash	39,884	10	NA <sup>(1)</sup>	39,884

<sup>(1)</sup> Pursuant to Scheme of Arrangement for Demerger under Section 391 to 394 and Sections 100 to 103 of the Companies Act, 1956 amongst Super Smelters Limited ("The Demerged Company") and their respective shareholders as sanctioned by the Order of Hon'ble High Court of judicature at Calcutta dated 14<sup>th</sup> June, 2016, our company has allotted 49,62,439 Equity Shares to the members of Demerged Company vide resolution passed on August 08, 2016 by the Board of Directors.

**5) The top ten shareholders of our Company and their Shareholding is as set forth below:**

a) The top ten Shareholders of our Company as on the date of this Prospectus are:

Sr. No.	Particulars	No. of Shares	% of the Pre-Issue Share Capital
1.	Veerbhadrha Sales Private Limited	8,11,102	16.35%
2.	Mrs. Sabita Agarwal	8,06,663	16.26%
3.	Mrs. Priti Agarwal	7,24,861	14.61%
4.	Mrs. Vibha Agarwal	7,15,669	14.42%
5.	Avantika Tie-up Private Limited	4,61,306	9.30%
6.	Aabha Sales Private Limited	3,67,026	7.40%
7.	Crawford Plantations Private Limited	3,52,386	7.10%
8.	Khandelwal Finance Private Limited	3,05,225	6.15%
9.	M/s. Sitaram Agarwal (HUF)	1,21,354	2.44%
10.	Mr. Sitaram Agarwal	77,003	1.55%
<b>Total</b>		<b>47,42,595</b>	<b>95.57%</b>

b) The top ten Shareholders of our Company ten days prior to date of this Prospectus are:

Sr. No.	Particulars	No. of Shares	% of then Pre-Issue Share Capital
1.	Veerbhadrha Sales Private Limited	8,11,102	16.35%
2.	Mrs. Sabita Agarwal	8,06,663	16.26%
3.	Mrs. Priti Agarwal	7,24,861	14.61%
4.	Mrs. Vibha Agarwal	7,15,669	14.42%
5.	Avantika Tie-up Private Limited	4,61,306	9.30%
6.	Aabha Sales Private Limited	3,67,026	7.40%
7.	Crawford Plantations Private Limited	3,52,386	7.10%
8.	Khandelwal Finance Private Limited	3,05,225	6.15%
9.	M/s. Sitaram Agarwal (HUF)	1,21,354	2.44%
10.	Mr. Sitaram Agarwal	77,003	1.55%
<b>Total</b>		<b>47,42,595</b>	<b>95.57%</b>

c) The top ten Shareholders of our Company two years prior to date of this Prospectus are:

Sr. No.	Particulars	No. of Shares	% of then Pre-Issue Share Capital
1.	Super Smelters Limited	9,980	99.80%
2.	Mr. Dilipp Agarwal (As Nominee Shareholder of Super Smelters Limited)	10	0.10%
3.	Mr. Deepak Agarwal (As Nominee Shareholder of Super Smelters Limited)	10	0.10%
<b>Total</b>		<b>10,000</b>	<b>100.00%</b>

6) Neither the Company, nor it's Promoter, Directors or the Lead Manager have entered into any buyback and/or standby arrangements for purchase of Equity Shares of the Company from any person.

7) None of our Directors or Key Managerial Personnel holds Equity Shares in the Company, except as stated in the chapter titled "Our Management" beginning on page no. 118 of this Prospectus.

- 8) Investors may note that in case of over-subscription, in all the categories, the allocation in the Issue shall be as per the requirement of Regulation 43(4) of SEBI (ICDR) Regulations, as amended from time to time. The allotment will be on proportionate basis as detailed under "Basis of Allotment" in the chapter titled "Issue Procedure" beginning on page no. 214 of this Prospectus.
- 9) An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
- 10) An over-subscription to the extent of 10% of the Fresh Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to lock-in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
- 11) Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines
- 12) No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoter to the persons who receive allotments, if any, in this Issue.
- 13) As on date of this Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoter or shareholders or any other person any option to receive Equity Shares after the Issue.
- 14) There shall be only one denomination of Equity Shares of our Company unless otherwise permitted by law.
- 15) Our Company shall comply with disclosure and accounting norms as may be specified by SEBI from time to time.
- 16) Since the entire application money is being called on application, all successful applications, shall be issued fully paid up shares only. Also, as on the date of this Prospectus the entire pre-issue share capital of the Company has been made fully paid up.
- 17) Except as disclosed in the Prospectus, our Company presently does not have any intention or proposal to alter its capital structure for a period of six months commencing from the date of opening of this Issue, by way of split / consolidation of the denomination of Equity Shares or further issue of Equity Shares or securities convertible into Equity Shares, whether on a preferential basis or issue of bonuses or rights or further public issue of specified securities or Qualified Institutional Placement.
- 18) We have not issued any Equity Shares out of revaluation reserves. We have not issued any Equity Shares for consideration other than cash except as stated in this Prospectus.
- 19) As on date of this Prospectus, there are no outstanding ESOP's, warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares, nor has the company ever allotted any equity shares pursuant to conversion of ESOP's till date.
- 20) Our Company shall ensure that transactions in the Equity Shares by our Promoter and our Promoter Group between the date of registering the Prospectus with RoC and the Issue Closing Date shall be reported to the Stock Exchange within 24 hours of such transaction.
- 21) The Lead Manager viz. Aryaman Financial Services Limited and its associates do not directly or indirectly hold any shares of the Company.
- 22) Our Company has Fourteen (14) shareholders, as on the date of this Prospectus.

- 23) Our Company has not made any public issue (including any rights issue to the public) since its incorporation.
- 24) Our Company has not raised any bridge loans against the proceeds of this Issue.
- 25) Our Company has not re-valued its assets since incorporation.

## 26) Shareholding Pattern of the Company:

The following is the shareholding pattern of the Company as on the date of this Prospectus

Category (I)	Category of Share- holder (II)	No. of Share-holder (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares Underlying Depository Receipts (VI)	Total Nos. Shares held (VII) = (IV) + (V) + (VI)	Share holding as a % of total No. of Shares (calculated As per SCRR, 1957)(VIII)As a % of (A+B+C2)	Number of Voting Rights held in each Class of securities (IX)				No of Underlying Outstanding Convertible securities (incl. Warrants)(X) Share holding as a % assuming Full convertible securities (as a % of Diluted Share Capital)(XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked In shares (XII)		No. of shares Pledged Or Otherwise encumbered (XIII)		No. of Equity shares held in De-mat form (XIV)	
								No of voting Right			Total As a %of(A+B+C)		No (a)	As a %of total shares held (b)	No (a)	As a % of total share s held (b)		
								Class- Equity	Cla ss	Total								
(A)	Promoter & Promoter Group	14	49,62,439	-	-	49,62,439	100.00%	49,62,439	-	49,62,439	100.00%	-	100.00%	-	-	-	-	41,34,107
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	Non Promoter Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares Underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	14	49,62,439	-	-	49,62,439	100.00%	49,62,439	-	49,62,439	100.00%	-	100.00%	-	-	-	-	41,34,107

There are no public shareholders holding more than 1% of the pre-Issue paid up capital of our Company as on date of this Prospectus.



## SECTION IV – PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

The Issue comprises a Fresh Issue by our Company and an Offer for Sale by the Promoters and Promoter Group Selling Shareholders.

#### *The Offer for Sale*

Our Company will not receive any proceeds of the Offer for Sale by the Promoters and Promoter Group Selling Shareholders.

#### *The Fresh Issue*

The objectives of the fresh issue are to raise funds for:

- (a) Working Capital Requirements;
- (b) Funding expenditure for General Corporate Purposes

Further, our Company expects that the listing of the Equity Shares on SME Platform of BSE will enhance our visibility and our brand image among our existing and potential stakeholders.

The Main Objects clause as set out in the Memorandum of Association enables our Company to undertake its existing activities and the activities for which funds are being raised by our Company through the Present Issue.

#### **Fresh Issue Proceeds**

Particulars	Amt. (₹ in lakhs)
Gross Proceeds from the Fresh Issue	3,000.75
Less: Issue Expenses <sup>(1)(2)</sup>	46.35
<b>Net Proceeds from the Fresh Issue</b>	<b>2,954.40</b>

<sup>(1)</sup> Except for the Listing fees and Market making fees, which will be borne by our Company, all other expenses relating to the Issue will be borne by our Company and the Selling Shareholder in proportion to the Equity Shares contributed / issued in the Issue.

<sup>(2)</sup> The Issue expenses are estimated expenses and subject to change.

#### **Requirement of Funds and utilization of Issue proceeds**

The fund requirements described below are based on internal management estimates and our Company's current business plan and have not been appraised by any bank, financial institution.

We intend to utilize the Net Proceeds of the Issue ("Net Proceeds") of ₹ 2,954.40 lakhs for financing the objects as set forth below:

Sr. No.	Particulars	Amt. (₹ in lakhs)
1.	Working Capital Requirements	2,320.00
2.	Funding expenditure for General Corporate Purposes	634.40
	<b>Total</b>	<b>2,954.40</b>

\* The above utilisation of funds is expected to complete in FY 2018-19.

#### **Means of Finance**

The entire fund requirements are to be financed from the Net Issue Proceeds, and there is no requirement to make firm arrangements of finance under Regulation 4(2)(g) of the SEBI Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the Issue.

In case of variations in the actual utilization 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.

If surplus funds are unavailable or in case of cost overruns, we expect that the shortfall will be met from internal accruals and/or entering into funding arrangements as required. Any variation in the objects of the Issue shall be undertaken in accordance with the terms of the Companies Act and the rules framed thereunder.

In case of delays in raising funds from the Issue, our Company may deploy certain amounts towards any of the above mentioned Objects through a combination of Internal Accruals or Unsecured / Bridge Loans and in such case the Funds raised shall be utilized towards recouping of Internal Accruals. However, we confirm that except as mentioned below no unsecured / bridge financing has been availed as on date for the above mentioned objects, which is subject to being repaid from the Issue Proceeds.

The fund requirement and deployment is based on internal management estimates and have not been appraised by any bank or financial institution. Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirement and deployment of funds may also change. This may, subject to compliance with applicable laws and regulations, also include rescheduling the proposed utilization of Issue Proceeds and increasing or decreasing expenditure for a particular object vis-a-vis the utilization of Issue Proceeds.

For further details on the risks involved in our proposed fund utilization as well as executing our business strategies, please see "Risk Factors" beginning on page no. 14 of this Prospectus.

## Details of Fund Requirements

### 1) Working Capital Requirements

Our Company is engaged in the business of manufacturing of iron and steel products. Our Company has a varied product portfolio and as a steel manufacturers we believe that our operations shall be sufficiently flexible to enable us to alter our product mix and position in order to minimize any adverse effect on our business in the highly cyclical steel industry.

Our business is working capital intensive and we fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals, share capital and financing from banks by way of working capital facilities including buyer's credit and cash credit. Accordingly, we have proposed to use ₹ 2320.00 lakhs out of the fresh issue proceeds to meet the increase in working capital requirements.

### Basis of estimation of working capital requirement and estimated working capital requirement.

Our Company's existing working capital requirement and funding on the basis of our Restated Financial Statements as of March 31, 2018 and estimated working capital requirement for FY 2018-19 are as set out in the table below:

(₹ in lakhs)

Particulars	Holding Levels (days)	Fiscal 2018	Holding Levels (days)	Fiscal 2019
<b>Current Assets</b>				
Inventories	27	2,649.64	69	9,921.55
Debtors	27	2,605.42	29	4,112.33
Short Term Loans and Advances	-	481.58	-	500.00
Other Current Assets	-	57.72	-	500.00
Cash & Cash Equivalents	-	1,276.24	-	478.56
<b>Total Current Assets (A)</b>		<b>7,070.60</b>		<b>15,512.44</b>
<b>Less: Current Liabilities</b>				
Trade Payables	47	2,878.92	39	4,120.78
Other Current Liabilities	-	887.42	-	800.00

Particulars	Holding Levels (days)	Fiscal 2018	Holding Levels (days)	Fiscal 2019
<b>Total Current Liabilities (B)</b>		<b>3,766.34</b>		<b>4,920.78</b>
<b>Working Capital Gap (A-B)</b>		<b>3,304.26</b>		<b>10,591.66</b>
<b>Funded By:</b>				
Bank Borrowings		2,208.68		6,200.00
Owned Funds and Internal Accruals		1,095.59		2,071.66
IPO Funding		-		2,320.00

<sup>(1)</sup>The actual available sanction for fund based loans is ₹ 7,000.00 lakhs. For further details of the sanctioned limits, please refer the chapter “Financial Indebtedness” on page no. 176 of this Prospectus.

#### Justification for holding period levels

Particulars	Details
<b>Current Assets</b>	
Inventories	Our Company has a varied product portfolio including Billets, Wire Rods, HB Wire and Binding wire .Due to introduction of a new products, revival of industry and increase in the capacity our sale has increased significantly, because of which our inventory level is estimated to be increased from 27 days in FY 2017-18 to 69 days in FY 2018-2019.
Trade Receivables	Trade Receivables days are computed as a function of total sales from the Restated Financial Statements and are adjusted for future estimates. Our Company has estimated the holding level for Trade Receivable as 27 days of revenue from operations for the Financial Year 2018-19, considering normal credit period.
<b>Current Liabilities</b>	
Trade Payables	Trade Payables include creditor for goods and expenses. By making early payments to the suppliers (i.e. availing lower credit periods), the company shall be able to get competitive prices for its raw materials which would result in a reduction in the raw material cost as a percentage of sales thereby increasing the profitability of the Company. Thus the Company has estimated lower credit period which would in turn help in reducing the cost of sales and improve profitability margins.

#### General Corporate Purposes

We propose to deploy ₹ 634.40 lakhs, aggregating to 21.47% of the Net Proceeds of the Fresh Issue towards general corporate purposes, including but not restricted to expansion of our business operation including acquiring fixed assets, Capital goods in case of any exigencies, strategic initiatives, partnerships, joint ventures and acquisitions, meeting exigencies which our Company may face in the ordinary course of business, to renovate and refurbish certain of our existing Company owned/ leased and operated facilities or premises, towards general expenses of the company or any other purposes as may be approved by our Board.

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

#### ISSUE RELATED EXPENSES

The total estimated Issue Expenses is ₹ 82.20 lakhs, which is 1.37% of the total Issue Size. The details of the Issue Expenses are tabulated below:

(₹ in lakhs)

Sr. No.	Particulars	Amount	% of Total Expenses	% of the Total Issue Size
1.	Issue Management fees including fees and payment to other intermediaries such as Legal Advisors, Registrars, Stock Exchanges, and	41.20	50.12%	0.69%

Sr. No.	Particulars	Amount	% of Total Expenses	% of the Total Issue Size
	other out of pocket expenses.			
2.	Brokerage and Selling Commission, RTAs and Underwriting Commission, CDPs <sup>(1)(2)(3)(4)</sup>	30.00	36.50%	0.50%
3.	Advertisement, Printing & Stationery, Marketing Expenses, etc.	4.00	4.87%	0.07%
4.	Market Regulatory & Other Expenses	7.00	8.52%	0.12%
	<b>Total</b>	<b>82.20</b>	<b>100.00</b>	<b>1.37%</b>

- (1) Selling commission payable to SCSBs, members of the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs, would be of 0.01% of the Amount Allotted (product of the number of Equity Shares Allotted and the Issue Price) for the forms directly procured by them and uploaded on the electronic system of the Stock Exchange by them.
- (2) SCSBs will be entitled to a processing fee of ₹ 10 (plus applicable GST) per valid Bid cum Application Form, for processing the Bid cum Application Form procured by the members of the Syndicate (including their sub-Syndicate Members), the Registered Brokers, CRTAs or CDPs and submitted to the SCSBs for blocking of funds.
- (3) Registered Brokers will be entitled to a commission of ₹ 10 (plus applicable GST) per valid Bid cum Application Form directly procured by the Registered Brokers from Retail Individual Investors and Non-Institutional Bidders and submitted to the SCSBs for processing.
- (4) The payment towards commission and processing fees will be completed within 30 days from the date of receipt of final invoice from the respective entities.

### Appraisal and Bridge Loans

The Objects of the Issue and deployment of Fresh Issue funds have not been appraised by any banks, financial institutions or agency. Further, our Company has not raised any bridge loans from any bank or financial institution as on the date of this Prospectus, which are proposed to be repaid from the Net Fresh Issue Proceeds.

### Year wise Deployment of Funds / Schedule of Implementation

As on the date of this Prospectus, no funds have been deployed on these objects. The entire Fresh Issue size is proposed to be deployed in the Financial Year 2018 - 19.

### Monitoring of Utilization of Funds

There is no requirement for a monitoring agency as the Fresh Issue size is less than ₹ 10,000 lakhs. Pursuant to Regulation 32(3) of the SEBI (LODR) Regulations, 2015, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Net Fresh Issue Proceeds. Until such time as any part of the Net Proceeds remains unutilized, our Company will disclose the utilization of the Net Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Net Proceeds have been utilized so far, and details of amounts out of the Net Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Net Proceeds.

In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a fiscal, we will utilize such unutilized amount in the next fiscal. Further, in accordance with Regulation 32(1)(a) of the SEBI (LODR) Regulations, 2015, our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Net Proceeds for the objects stated in this Prospectus.

### **Interim Use of Funds**

Pending utilization of the Net Fresh Issue Proceeds for the purposes described above, our Company will deposit the Net Fresh Issue Proceeds with scheduled commercial banks included in schedule II of the RBI Act. Our Company confirms that it shall not use the Net Fresh Issue Proceeds for buying, trading or otherwise dealing in shares of any listed company or for any investment in the equity markets.

### **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 the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act. The notice in respect of such resolution to Shareholders shall simultaneously be published in the newspapers, one in English and one in Regional language of the jurisdiction where our Registered Office is situated. The Shareholders who do not agree to the above stated proposal, our Promoter or controlling Shareholders will be required to provide an exit opportunity to such dissenting Shareholders, at a price as may be prescribed by SEBI, in this regard.

### **Other Confirmations**

No part of the Net Proceeds of the Fresh Issue will be paid by our Company as consideration to our Promoter, our board of Directors, our Key Management Personnel, Associates or Group Companies except in the normal course of business and in compliance with applicable law.

## BASIC TERMS OF THE ISSUE

### Terms of the Issue

The Equity Shares being issued are subject to the provisions of the Companies Act, our Memorandum and Articles of Association, the terms of the Draft Prospectus / Prospectus, Application 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 Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the issue and to the extent applicable.

### Authority for the Issue

The present Issue has been authorized pursuant to a resolution of our Board dated May 04, 2018 and by Special Resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Annual General Meeting of our shareholders held with a shorter notice on May 10, 2018.

The Offer for Sale has been authorised by the Selling Shareholders by their consent letter dated May 04, 2018. The No. of Equity Shares offered by each Selling Shareholders is as follows:

Sr. No.	Name of the Selling Shareholders	No. of Equity Shares Offered
1.	Crawford Plantations Private Limited	3,52,386
2.	M/s. Sitaram Agarwal (HUF)	1,21,354
3.	Mr. Sitaram Agarwal	77,003
4.	Mrs. Sabita Agarwal	67,092
5.	Mrs. Vibha Agarwal	52,169
6.	Mrs. Priti Agarwal	48,361
7.	M/s. Deepak Agarwal (HUF)	41,751
8.	M/s. Dilipp Agarwal (HUF)	39,884
	<b>Total</b>	<b>8,00,000</b>

The Selling Shareholders have severally confirmed that the Equity Shares proposed to be offered and sold in the Issue are eligible in term of SEBI (ICDR) Regulations and that they have not been prohibited from dealings in securities market and the Equity Shares offered and sold are free from any lien, encumbrance or third party rights. The Selling Shareholders have also severally confirmed that they are the legal and beneficial owners of the Equity Shares being offered by them under the Offer for Sale.

### Other Details

<b>Face Value</b>	The Equity Shares to be issued pursuant to this Issue, having a face value of ₹ 10/- each are being issued in terms of this Prospectus. Subject to applicable laws, there shall be, at any given point of time, only one denomination of the Equity Shares of our Company.
<b>Issue Price per Share</b>	The Equity Shares pursuant to this Prospectus are being issued at a price of ₹ 375/- each.
<b>Terms of Payment</b>	Applications should be for a minimum of 300 equity shares and 300 equity shares thereafter. The entire Issue Price of the equity shares of ₹ 375/- per share is payable on application. In case of allotment of lesser number of equity shares than the number applied, the excess amount paid on application shall be refunded / unblocked to the applicants.
<b>Ranking of the Equity Shares</b>	The Equity Shares issued pursuant to this Issue shall be subject to the Memorandum and Articles of Association of the Company and shall rank <i>pari-passu</i> in all respects including dividends with the existing Equity Shares of the Company. The allottees will be entitled to dividend, voting rights or any other corporate benefits, if any, declared by us after the date of Allotment.
<b>Market Lot and Trading Lot</b>	The Market lot and Trading lot for the Equity Share is 300 and in multiples of 300 thereafter; subject to a minimum allotment of 300 Equity Shares to the successful applicants.



### **Minimum Subscription**

The requirement for 90% minimum subscription in terms of Regulation 14 of the ICDR Regulations is not applicable to the Issue. In terms of Regulation 106P(1) of the ICDR Regulations, the Issue is not restricted to any minimum subscription level and is 100% underwritten. Further, pursuant to Regulation 106R of the ICDR Regulations, our Company shall ensure that the number of prospective allottees to whom Equity Shares will be allotted shall not be less than 50.

If we do not receive the subscription of 100% of the Issue through this offer document including devolvment of Underwriters within sixty days from the date of closure of the Issue, we shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after we become liable to pay the amount, we shall pay interest prescribed under the applicable provisions of the Companies Act, 2013.

## BASIS FOR ISSUE PRICE

The Issue Price has been determined by our Company in consultation with the Lead Manager on the basis of the key business strengths. The face value of the Equity Shares is ₹ 10/- and Issue Price is ₹ 375/- per Equity Share and is 37.50 times of the face value. Investors should read the following basis with the sections titled “Risk Factors” and “Financial Information” and the chapter titled “Our Business” beginning on page nos. 14, 145 and 90 respectively of this Prospectus to get a more informed view before making any investment decisions. The trading price of the Equity Shares of Our Company could decline due to these risk factors and you may lose all or part of your investments.

### Qualitative Factors

We believe that the following strengths help differentiate us from our competitors and enable us to compete successfully in our industry:

- Complimentary product mix & high operating efficiency
- Experienced & Qualified Team
- Location of the Manufacturing Unit
- Product diversification & Wide Product Offering

For further details regarding some of the qualitative factors, which form the basis for computing the Issue Price, please see “Our Business - Our Strengths” beginning on page no. 91 of this Prospectus.

### Quantitative Factors

Information presented in this chapter is derived from restated financial statements prepared in accordance with Indian GAAP.

#### 1) Earnings per Share (EPS)

Year ended March 31,	Basic & Diluted	
	EPS (in ₹) <sup>(1)</sup>	Weight
2018	24.95	3
2017	1.17	2
2016	1.45	1
<b>Weighted Average</b>		<b>13.11</b>

<sup>(1)</sup> Based on Restated Financials of our Company

#### Notes:

- a. Basic EPS has been calculated as per the following formula:

$$\text{Basic EPS (₹)} = \frac{\text{Net profit/ (loss) as restated, attributable to Equity Shareholders}}{\text{Weighted average number of Equity Shares outstanding during the year/period}}$$

- b. Diluted EPS has been calculated as per the following formula:

$$\text{Diluted EPS (₹)} = \frac{\text{Net profit/ (loss) as restated, attributable to Equity Shareholders}}{\text{Diluted Weighted average number of Equity Shares outstanding during the year/period}}$$

- c. Earnings per share calculations are in accordance with Accounting Standard 20 “Earnings per Share” prescribed by the Companies (Accounting Standard) Rules, 2006

#### 2) Price Earnings Ratio (P/E) in relation to the Issue price of ₹ 375/- per share of ₹ 10/- each.

Particulars	Standalone
P/E ratio based on Basic and Diluted EPS as at March 31, 2018	15.03

Particulars	Standalone
P/E ratio based weighted average EPS	28.60
Industry P/E	
Highest – APL Apollo	37.70
Lowest – Natl. Steel & Agro	3.10
Industry Average	13.80

(Source: Capital Market, Vol. XXXIII/10, Jul 02 - 15, 2018; Segment: Steel-Medium /Small)

### 3) Return on Net Worth (RoNW)

Year ended March 31	RoNW (%)	Weight
2018	22.68%	3
2017	1.37%	2
2016	1.73%	1
<b>Weighted Average</b>		<b>12.09</b>

**Note:** Return on Net worth has been calculated as per the following formula:

$$\text{RoNW} = \frac{\text{Net profit/loss after tax, as restated}}{\text{Net worth excluding preference share capital and revaluation reserve}}$$

### 4) Minimum Return on Net Worth (RoNW) after Issue needed to maintain the Pre-Issue Basic & diluted EPS for the FY 2017-18 (based on Restated Financials) at the Issue Price of ₹ 375/- is 16.99%.

### 5) Net Asset Value (NAV)

Financial Year	Amount (₹)
NAV as at March 31, 2018	110.03
NAV after Issue	146.82
Issue Price	375.00

**Note:**

Net Asset Value has been calculated as per the following formula:

$$\text{NAV} = \frac{\text{Net worth excluding revaluation reserve}}{\text{Number of Equity shares outstanding during the year/ period}}$$

### 6) Comparison with Industry peers

Particulars	Face Value (₹)	EPS (₹)	P/E Ratio <sup>(2)</sup>	RONW (%)	NAV (₹)
Adhunik Industries Limited	10	1.04	67.84	4.42%	23.49
Gallantt Metal Limited	10	27.47	10.64	10.23%	268.82
Kamdhenu Limited	10	6.70	30.76	10.73%	61.37
Source: Company Audited Financials for the F. Y. 2017-18 as disclosed on <a href="http://www.nseindia.com">www.nseindia.com</a> and <a href="http://www.bseindia.com">www.bseindia.com</a>					
<b>Supershakti Metaliks Limited</b>	10	24.95	15.03	22.68%	110.03
Source: Restated Financials as on March 31, 2018					

<sup>(1)</sup> All Peer Comparisons are for Financials on Standalone basis

<sup>(2)</sup> Based on closing price of the stock on BSE/NSE as on July 03, 2018

### 7) The Company in consultation with the Lead Manager believes that the Issue price of ₹ 375/- per share for the Public Issue is justified in view of the above parameters. The investors may also want to peruse the Risk Factors and Financials of the company including important profitability and return ratios, as set out in the Financial Statements included in this Prospectus to have more informed view about the investment

proposition. The Face Value of the Equity Shares is ₹ 10/- per share and the Issue Price is 37.50 times of the face value i.e. ₹ 375/- per share.

## STATEMENT OF TAX BENEFIT

To,  
The Board of Directors  
**SUPERSHAKTI METALIKS LIMITED**  
39, Shakespeare Sarani, 3rd Floor  
Kolkata – 700017, West Bengal

Dear Sir,

**Sub: Statement of Possible Special Tax Benefits available to M/s. Supershakti Metaliks Limited and its shareholders prepared in accordance with the requirements under Schedule VIII – Clause (VII) (L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended (the ‘Regulations’)**

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

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

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

- a) The Company or its Equity Shareholders will continue to obtain these benefits in future; or
- b) The conditions prescribed for availing the benefits have been / would be met with.

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

Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its Issue, which may have a material effect on the discussions herein.

This report including enclosed annexure are intended solely for your information and for the inclusion in the Draft Prospectus/ Prospectus or any other Issue related material in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

**FOR SINGHI & CO.,**  
Chartered Accountants (Firm Registration No. 302049E)

Sankar Bandyopadhyay  
Partner; Membership No: 008230

*Place: Kolkata*  
*Date: May 10, 2018*

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

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

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

### **A. SPECIAL TAX BENEFITS TO THE COMPANY**

NIL

### **B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER**

NIL

#### **Note:**

1. All the above statements are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
3. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue.
4. We have not commented on the taxation aspect under any law for the time being in force, as applicable, of any country other than India. Each investor is advised to consult its own tax consultant for taxation in any country other than India.



## SECTION V – ABOUT THE ISSUER COMPANY

### INDUSTRY OVERVIEW

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

#### THE INDIAN ECONOMY

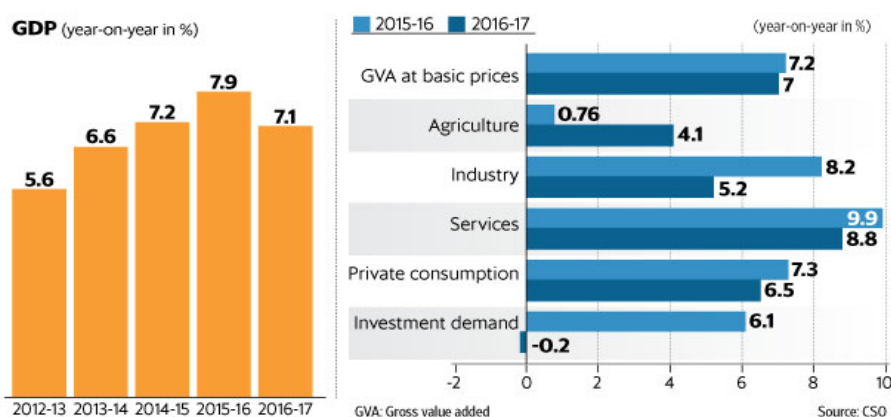
India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF). The Government of India has forecasted that the Indian economy will grow by 7.1 per cent in FY 2016-17. As per the Economic Survey 2016-17, the Indian economy should grow between 6.75 and 7.5 per cent in FY 2017-18. The improvement in India's economic fundamentals has accelerated in the year 2015 with the combined impact of strong government reforms, Reserve Bank of India's (RBI) inflation focus supported by benign global commodity prices.

India's consumer confidence index stood at 136 in the fourth quarter of 2016, topping the global list of countries on the same parameter, as a result of strong consumer sentiment, according to market research agency, Nielsen.

India's gross domestic product (GDP) grew by 7 per cent year-on-year in October-December 2016 quarter, which is the strongest among G-20 countries, as per Organisation for Economic Co-operation and Development (OECD) Economic Survey of India, 2017. According to IMF World Economic Outlook Update (January 2017), Indian economy is expected to grow at 7.2 per cent during FY 2016-17 and further accelerate to 7.7 per cent during FY 2017-18.

#### GROWTH PATTERN

While the industrial sector is now estimated to have grown at 8.2% against the earlier estimation of 7.4%, the services sector is estimated to have grown at 9.9% against 8.9% earlier.



The tax collection figures between April 2016 and January 2017 show an increase in Net Indirect taxes by 16.9 per cent and an increase in Net Direct Taxes by 10.79 per cent year-on-year, indicating a steady trend of healthy growth. The total number of e-filed Income Tax Returns rose 21 per cent year-on-year to 42.1 million in 2016-17 (till 28.02.17), whereas the number of e-returns processed during the same period stood at 43 million.

Corporate earnings in India are expected to grow by over 20 per cent in FY 2017-18 supported by normalisation of profits, especially in sectors like automobiles and banks, while GDP is expected to grow by 7.5 per cent during the same period, according to Bloomberg consensus. India has retained its position as the third largest start-up base in the world with over 4,750 technology start-ups, with about 1,400 new start-ups being founded in

2016, according to a report by NASSCOM. India's labour force is expected to touch 160-170 million by 2020, based on rate of population growth, increased labour force participation, and higher education enrolment, among other factors, according to a study by ASSOCHAM and Thought Arbitrage Research Institute.

India's foreign exchange reserves stood at US\$ 366.781 billion as on March 17, 2017 as compared to US\$ 360 billion by end of March 2016, according to data from the RBI.

According to The World Bank, the Indian economy will likely grow at 7 per cent in 2016-17, followed by further acceleration to 7.6 per cent in 2017-18 and 7.8 per cent in 2018-19. Demonetisation is expected to have a positive impact on the Indian economy, which will help foster a clean and digitised economy in the long run, according to Ms. Kristalina Georgieva, Chief Executive Officer, the World Bank.

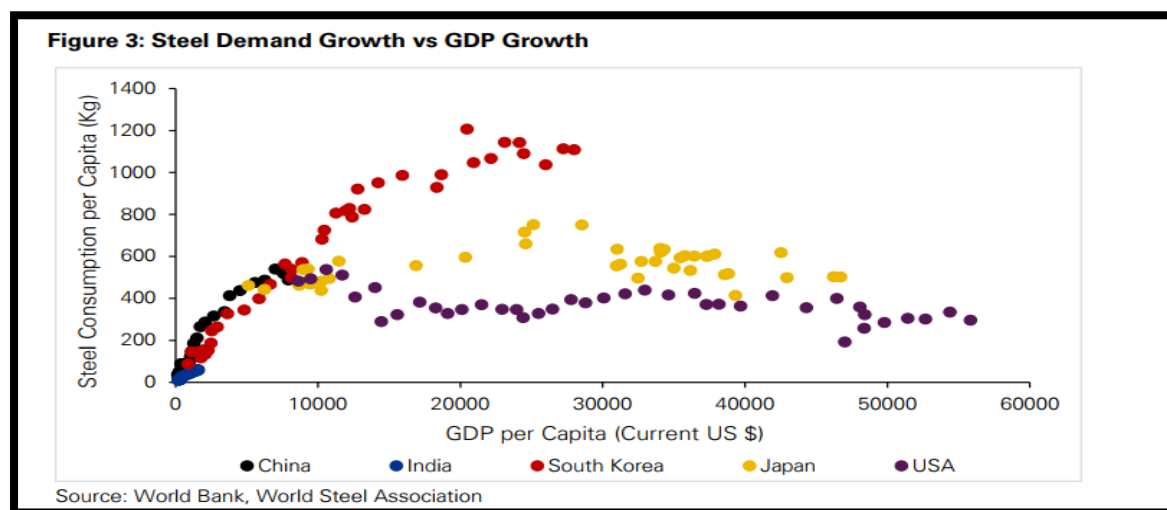
India is expected to be the third largest consumer economy as its consumption may triple to US\$ 4 trillion by 2025, owing to shift in consumer behaviour and expenditure pattern, according to a Boston Consulting Group (BCG) report; and is estimated to surpass USA to become the second largest economy in terms of purchasing power parity (PPP) by the year 2040, according to a report by PricewaterhouseCoopers.

(Source: <https://www.ibef.org/economy/indian-economy-overview>)

## OVERVIEW OF GLOBAL STEEL INDUSTRY

Steel is one of the world's most essential materials. It is fundamental to every aspect of our lives, from infrastructure and transport to the tinplated steel can that preserves food. It is one of the most important products of the modern world and is of strategic importance to any industrial nation. From construction, industrial machinery and transportation to consumer products, steel finds a wide variety of applications. It is also an industry with diverse technologies based on the nature and extent of use of raw materials.

Steel consumption also shows strong link with the economic growth. It is understandable since the economic growth will drive the infrastructure spend and housing. With respect to retail consumers, economic growth will drive the consumption leading to increased spending on automobiles, white goods, etc. All drivers of steel demand. However, over the long run, growth in steel consumption will also depend on the structure of economy and not just growth. For instance, countries with significant proportion of service industry will see steel demand plateauing (e.g. US) whereas manufacturing focused economies will see steel demand growing with economic growth (e.g. South Korea, China).



(Source: <http://ficci.in/spdocument/20888/Steel-Report-2017.pdf>)

The global steel market is expected to reach USD 1.01 trillion by 2025, according to a new report by Grand View Research, Inc. Growing inclination of contractors towards sustainable, low cost and durable building materials is driving steel demand in upcoming residential projects & industrial infrastructure.

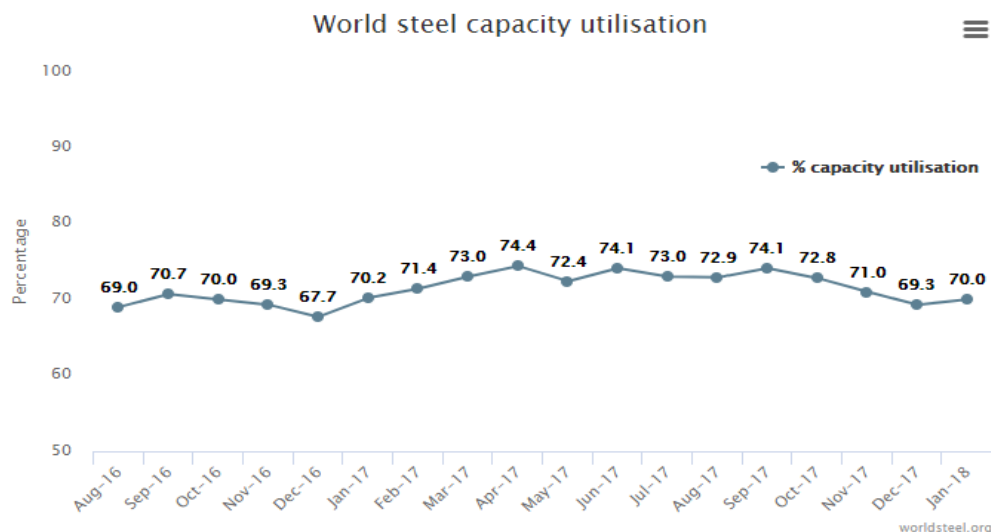
Technological advancements have made pre-engineered metal buildings with high structural integrity a reality, where steel plays an essential function in lending stability, aesthetic appeal and design flexibility. Stringent

regulations promoting green & energy-efficient buildings is also contributing to steel demand, especially in industrial structures.

The Asia Pacific market is relatively subdued, but displays high growth owing to exponential growth in the Indian market as of 2017 on account of protectionist measures & rising demand. About 1/3rd of Chinese exports are shipped to countries in Southeast Asia owing to anti-dumping policies by western countries, which has contributed to economic growth and infrastructure development in these countries.

Hot rolled products dominated the steel industry with over 75% of the volume share in 2016. These products are widely utilized in automobile structures such as frames, wheel and other parts as well as welding and construction trades among others.

(Source: <https://www.grandviewresearch.com/press-release/global-steel-market>)



(Source: <https://www.worldsteel.org/media-centre/press-releases/2018/january-2018-crude-steel-production.html>)

## Supply Forecast

Steel supply tightened across late 2017, although it is not in deficit. Disruptions hit production in Europe, while buyers in the United States faced higher prices for imports that necessitated redrawing some supply chains and then further disruption from the Section 232 tariffs. The Chinese narrative says that supply is tight because of pollution-related capacity closures.

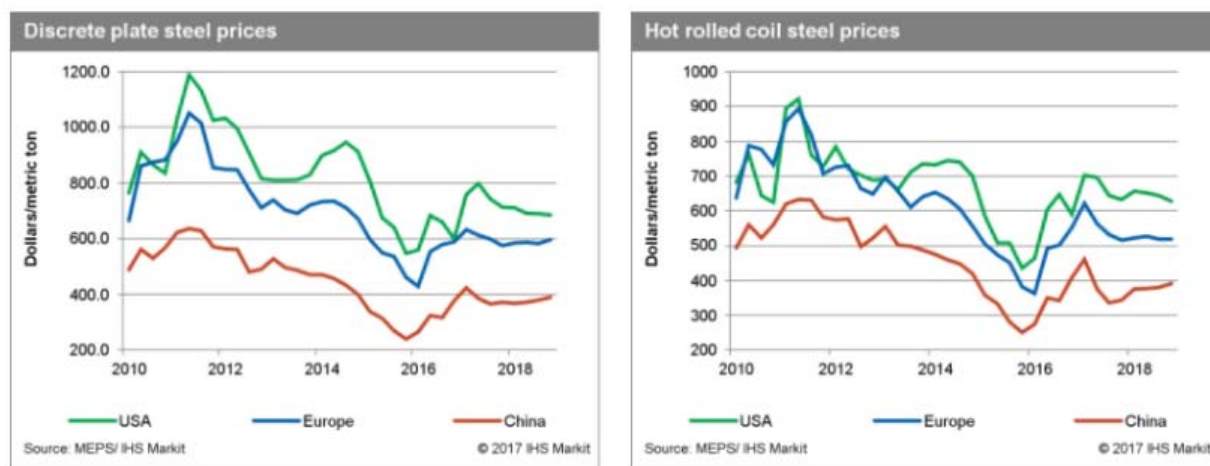
Service centers have decent inventory, and lead times are normal to slightly extended. The change will come from falling import tonnage. High prices in Europe and Asia are already causing imports to decline.

European supply is genuinely tight late in 2017, but should improve in coming quarters. Surprising demand growth in Europe outpaced mill production. A shortage of graphite electrodes is disrupting European production, although the impact is much greater on bar steel than on sheet.

## Demand Forecast

- Steel demand is up globally, but is certainly not booming. Automotive, construction and energy investment are growing but at a modest pace.
- No demand sector is growing so fast as to truly pressure steel availability. If there are shortages, they would generally be from a supply disruption, not from a boom in demand (with the exception of higher-quality bar for drilling activity, mostly in the United States).
- The second quarter of each year is typically the strongest for steel demand. Construction in all major regions is kicking off, feeding straight into steel demand. With US president Donald Trump's pledges of infrastructure building, construction steel demand should be strong.

(Source: <https://ihsmarkit.com/solutions/steel-forecast.html>)



## OVERVIEW OF INDIAN STEEL INDUSTRY

### Introduction

India was the world's third-largest steel producer in 2017. The growth in the Indian steel sector has been driven by domestic availability of raw materials such as iron ore and cost-effective labour. Consequently, the steel sector has been a major contributor to India's manufacturing output.

The Indian steel industry is very modern with state-of-the-art steel mills. It has always strived for continuous modernization and up-gradation of older plants and higher energy efficiency levels.

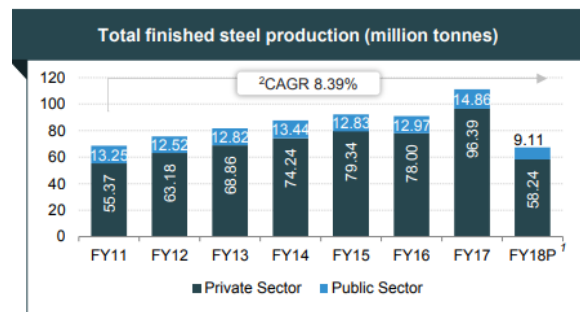
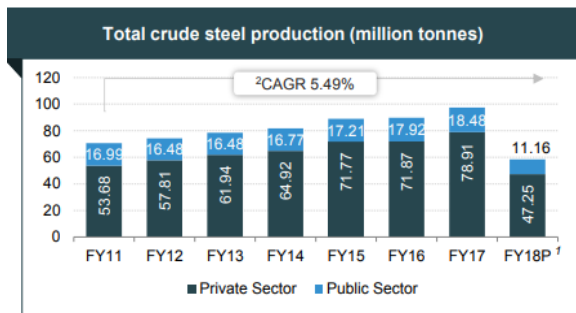
Indian steel industries are classified into three categories such as major producers, main producers and secondary producers.

### Market Size

Steel production in India has been growing at a fast pace

- In FY17, crude steel production in India was 97.42 MT, with the total crude steel production growing at a CAGR of 5.49 per cent over the last 6 years.
- The steel sector contributes over 2 per cent to the GDP of the nation and provides 20 lakh jobs in the country.
- During April-October 2017, crude steel and finished steel production in India stood at 58.42 MT and 67.34 MT respectively.
- As of March 2017, the capacity utilisation of steel producers is set to increase with strong export demand and signs of revival in domestic sales. Companies like JSW and Essar Steel have experienced a sharp increase in steel manufacturing in the last 2 months
- Steel manufacturing output of India is expected to increase to 128.6 MT by 2021, accelerating the country's share of global steel production from 5.4 per cent in 2017 to 7.7 per cent by 2021.

(Source: <https://www.ibef.org/download/Steel-November-20171.pdf>)



(Source: <https://www.ibef.org/download/Steel-November-20171.pdf>)

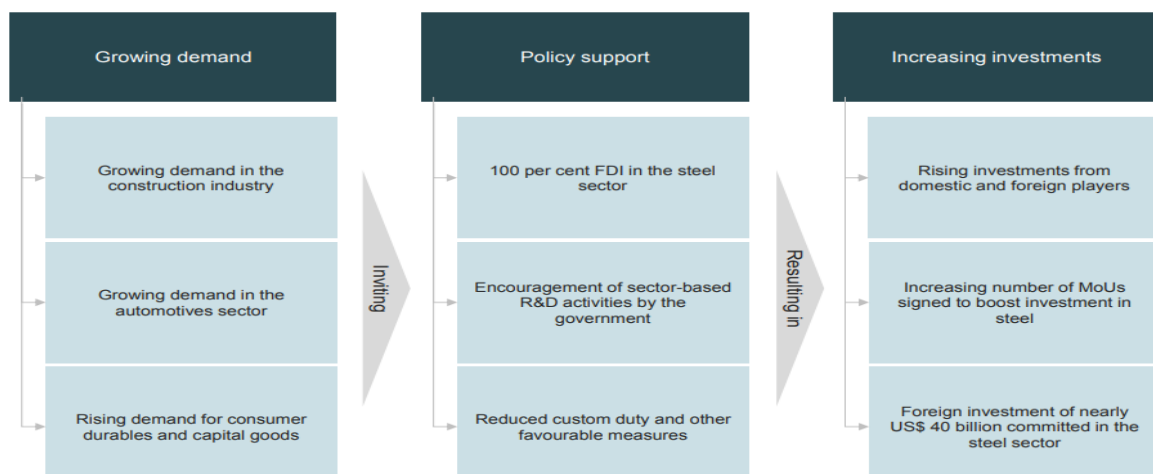
India's crude steel output grew 5.87 per cent year-on-year to 101.227 million tonnes (MT) in CY 2017. Crude steel production reached 93.183 MT during April-February 2017-18.

India's finished steel exports rose 102.1 per cent to 8.24 MT, while imports fell by 36.6 per cent to 7.42 MT in 2016-17. Exports and Imports of iron and steel stood at 14.6 MT and 13.1 MT during April-February 2017-18, respectively.

Total consumption of finished steel stood at 81.943 MT during April-February 2017-18.

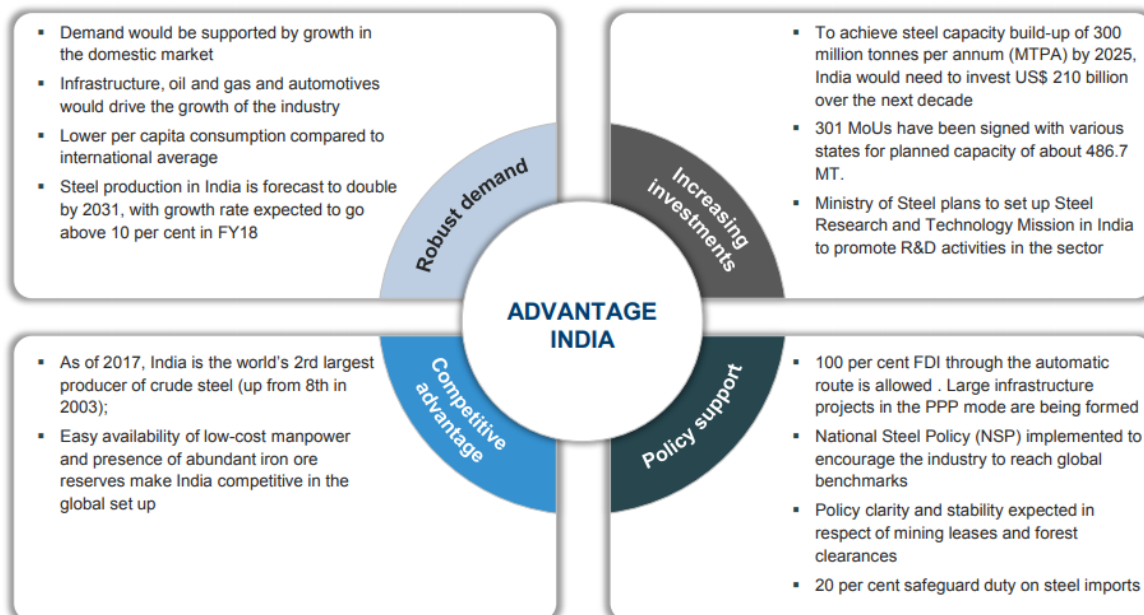
(Source: <https://www.ibef.org/industry/steel.aspx>)

### Growth Drivers



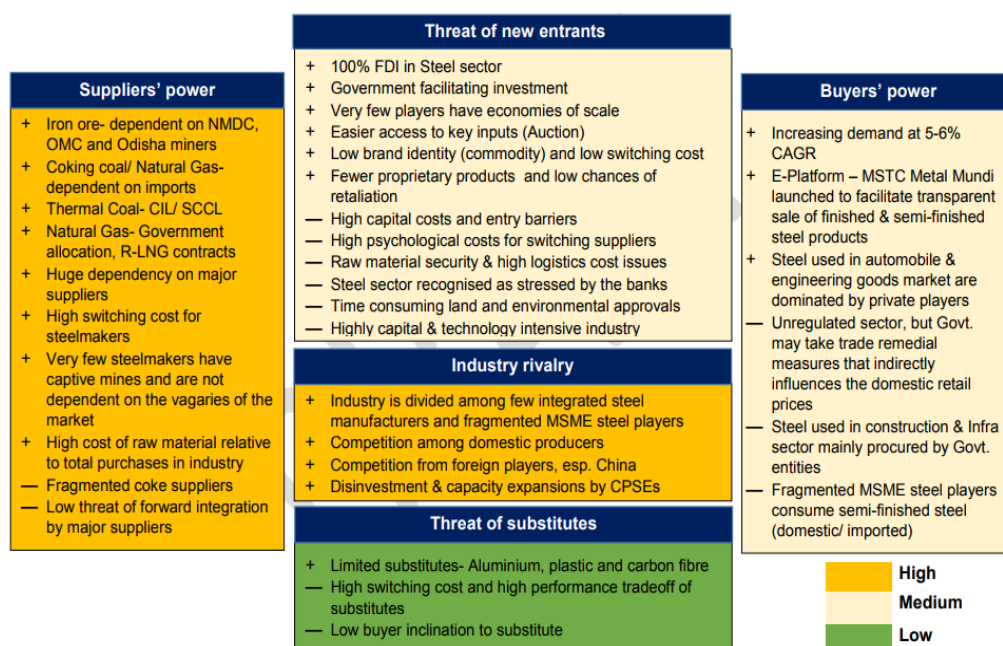
(Source: <https://www.ibef.org/download/Steel-November-20171.pdf>)

## Advantages



(Source: <https://www.ibef.org/download/Steel-November-20171.pdf>)

## Analysis



(Source: <http://steel.gov.in/sites/default/files/draft-national-steel-policy-2017.pdf>)

## Imports

- Iron & steel are freely importable as per the extant policy.
- Data on import of total finished steel (alloy/stainless + non alloy) is given below for last five years and April-May 2017:



Indian steel industry : Imports (in million tonnes)						
Category	2012-13	2013-14	2014-15	2015-16	2016-17*	April-May 2017*
Total Finished Steel (alloy/stainless + non alloy)	7.93	5.45	9.32	11.71	7.23	1.06
Source: Joint Plant Committee; *prov.						

(Source: <http://steel.gov.in/overview-steel-sector> )

## Exports

- Iron & steel are freely exportable.
- India emerged as a net exporter of total finished steel in 2016-17 (prov.)
- Data on export of total finished steel (alloy/stainless + non alloy) is given below for last five years and April-May 2017:

Indian steel industry : Exports (in million tonnes)						
Category	2012-13	2013-14	2014-15	2015-16	2016-17*	April-May 2017*
Total Finished Steel (alloy/stainless + non alloy)	5.37	5.99	5.59	4.08	8.24	1.38
Source: Joint Plant Committee; *prov						

(Source: <http://steel.gov.in/overview-steel-sector> )

## Opportunities for growth of Iron and Steel in Private Sector

### *The New Industrial Policy Regime*

The New Industrial policy opened up the Indian iron and steel industry for private investment by (a) removing it from the list of industries reserved for public sector and (b) exempting it from compulsory licensing. Imports of foreign technology as well as foreign direct investment are now freely permitted up to certain limits under an automatic route. Ministry of Steel plays the role of a facilitator, providing broad directions and assistance to new and existing steel plants, in the liberalized scenario.

### *The Growth Profile*

(i) Steel: The liberalization of industrial policy and other initiatives taken by the Government have given a definite impetus for entry, participation and growth of the private sector in the steel industry. While the existing units are being modernized /expanded, a large number of new steel plants have also come up in different parts of the country based on modern, cost effective, state of-the-art technologies. In the last few years, the rapid and stable growth of the demand side has also prompted domestic entrepreneurs to set up fresh Greenfield projects in different states of the country. Crude steel capacity was 126.33 mt in 2016-17 (prov.), up by 3.6% over 2015-16 and India, which emerged as the 3rd largest producer of crude steel in the world in 2016 as per provisional ranking released by the World Steel Association, has to its credit, the capability to produce a variety of grades and that too, of international quality standards. The country is expected to become the 2nd largest producer of crude steel in the world soon.

(ii) Pig Iron: India is also an important producer of pig iron. Post-liberalization, with setting up several units in the private sector, not only imports have drastically reduced but also India has turned out to be a net exporter of pig iron. The private sector accounted for 92% of total production for sale of pig iron in the country in 2016-17 (prov.). The production for sale of pig iron has increased from 1.6 mt in 1991-92 to 9.39 mt in 2016-17 (prov.). JPC: updated in July 2017.

(iii) Sponge Iron: India, world's 2nd largest producer of sponge iron (2016, prov.), has a host of coal based units located in the mineral-rich states of the country. Over the years, the coal based route has emerged as a key

contributor and accounted for 79% of total sponge iron production in the country. Capacity in sponge iron making too has increased over the years and stood at around 43 mt (2015-16).

### Steel Prices

- Price regulation of iron & steel was abolished on 16.1.1992. Since then steel prices are determined by the interplay of market forces.
- Domestic steel prices are influenced by trends in raw material prices, demand – supply conditions in the market, international price trends among others.
- An Inter-Ministerial Group (IMG) is functioning in the Ministry of Steel, under the Chairmanship of Secretary (Steel) to monitor and coordinate major steel investments in the country.
- As a facilitator, the Government monitors the steel market conditions and adopts fiscal and other policy measures based on its assessment. Currently, GST of 18% is applicable on steel and there is no export duty on steel items. The government has also imposed export duty of 30% on all forms of iron ore except low grade (below Fe 58%) iron ore lump & fines and iron ore pellets both of which have nil export duty.
- In view of rising imports, the Government had earlier raised import duty on most steel items twice, each time by 2.5% and imposed a gamut of measures including anti-dumping and safeguard duties on a host of applicable iron and steel items. In a further move to curb steel imports, the Indian government banned the production and sale of steel products that does not meet Bureau of Indian Standard (BIS) approval and to check the sale of defective and sub-standard stainless steel products used for making utensils and various kitchen appliances, it issued the Stainless Steel (Quality Control) Order, 2016 for products used in making utensils and kitchen appliances, that will help filter imports of the metal. Again, in February 2016, the Indian Government had imposed the Minimum Import Price (MIP) condition on 173 steel products. The MIP was extended thrice and ceased to be effective in February 2017. Currently, a mix of anti-dumping /safeguard and other measures are in place on a range of steel items to control the inflow of cheap steel. Further, a Steel Price Monitoring Committee has been constituted by the Government with the aim to monitor price rationalization, analyze price fluctuations and advise all concerned regarding any irrational price behavior of steel commodity.

(Source: <http://steel.gov.in/overview-steel-sector>)

### Investments

Steel industry and its associated mining and metallurgy sectors have seen a number of major investments and developments in the recent past.

According to the data released by Department of Industrial Policy and Promotion (DIPP), the Indian metallurgical industries attracted Foreign Direct Investments (FDI) to the tune of US\$ 10.56 billion in the period April 2000–December 2017.

### Government Initiatives

Some of the other recent government initiatives in this sector are as follows:

- Government of India's focus on infrastructure and restarting road projects is aiding the boost in demand for steel. Also, further likely acceleration in rural economy and infrastructure is expected to lead to growth in demand for steel.
- The Union Cabinet, Government of India has approved the National Steel Policy (NSP) 2017, as it seeks to create a globally competitive steel industry in India. NSP 2017 targets 300 million tonnes (MT) steel-making capacity and 160 kgs per capita steel consumption by 2030.
- Metal Scrap Trade Corporation (MSTC) Limited and the Ministry of Steel have jointly launched an e-platform called 'MSTC Metal Mandi' under the 'Digital India' initiative, which will facilitate sale of finished and semi-finished steel products.
- The Ministry of Steel is facilitating setting up of an industry driven Steel Research and Technology Mission of India (SRTMI) in association with the public and private sector steel companies to spearhead research

and development activities in the iron and steel industry at an initial corpus of Rs 200 crore (US\$ 30 million).

### **Challenges**

Among the Globe India is a 4th largest position of crude steel producer and is expected to attain 2nd position in next 3 to 4 years and contribution of the secondary steel sector in total steel production of India is quite important, basically in the long steel products. But the cost of the steel produced by SRRM sector is very high. It has been noted that major cost involved is cost of the energy, which is approx. 30% of the overall production cost. The direct energy consumed in the re-rolling mill sector is through the heating fuels (Oil, Gas or Coal) as well as in mill and the auxiliaries. However, this sector is unorganized sector and many problems are encountered by this industry. The major challenges / problems facing the re-rolling sector are given below:

#### *Raw Material issue:*

This industry mostly uses pencil ingots, re-rollable scrap and billets as raw material. As these ingots/billets are mainly produced through induction furnaces, they face severe quality problems. Often there occur surface defects like deep ripple marks, cracks etc, internal defects like piping, network of localized porosity along with high gas contents and composition problems like high percentage of sulphur, phosphorous, lead, copper and tin. The aforesaid shortcomings in raw materials / feedstock cause quality problems in rolled product, increase rejection rate and decrease the overall yield. Because of shortage of skilled manpower pre-inspection of feedstock cannot always be carried out successfully, thus the problems are carried up to product stage causing rejection and increase in overall cost.

#### *Reheating furnace:*

The most important cost centres in re-rolling mill industry are reheating furnace. The reheating furnaces have normally been observed by lower productivity, higher range of temperature variation both in product & hearth resulting in energy consumption. There is a lot of gap between the theoretical energy (180 Kcal/Kg) required and practical energy input levels (400 Kcal/Kg). A part from energy efficiency, second major problem is of high burning/scale losses to the tune of 2-3%. The scale losses not only cause appreciable financial losses but also sometime cause surface quality problems in the product. It is also a national loss. The emission levels in term of SPM, SO<sub>2</sub> & GHG are also very high. The main reasons behind poor performances of the furnaces are. Unscientific designs-mainly designed by furnace manufactures. No automation & control systems. Non availability of skilled manpower for operation of furnace The above problems need to be addressed for better results and cost control in reheating furnaces.

#### *Rolling Mill:*

The rolling mill industry is the main section where the material is rolled. The rolling mills of rerolling sector range from very small size of 6" to 18". The rolling mills of rerolling sector are known for their higher energy consumption, low mill utilization, unscientifically designed mill equipments, unscientific mill layouts, inefficient power transmission systems, lower productivities, lower bearing life, lower roll lives and higher breakdowns. There is an urgent need to attend to these problems. Most of the mills do not follow standard operating and maintenance practices. Many of the mills do not follow appropriate rolling process parameters viz no. of passes / average reduction per pass, temperature of material, soaking, de scaling, Roll diameter and roll speed. Due to the absence of appropriate rolling and predictive maintenances, the formation of cobbles/misrolls is high and thus yield is lower. Most of the mills have manual operation and mechanization /automations is very less. The motors used by the mills are of low efficiency and their capacity resulting in poor performance. The motors used by the mills are of low efficiency and their maintenance practices are also not appropriate. Most of these mills are operated by uneducated but experienced foremen. There is acute dearth of educated / trained manpower to run the mills.

#### *Laboratories for testing:*

In the many rolling mills there are no laboratories for testing of material. Though some TMT / alloy steel manufacturing units have small laboratories, these are either not properly equipped or suitable trained manpower is not available to operate the testing equipments.

#### *Energy Consumption:*

The consumption levels of Energy of the rerolling mills are very high as compared to bigger plants the main reason behind this are inefficient reheating furnaces, severe design problems in reheating furnaces as well as rolling mills. Non adoption of SOP and SMP inappropriate rolling process parameters. Low efficiency of transmission equipments, inappropriate roll pass design. Low level of mill mechanization / automation, inappropriate rolling mill layout and use of low efficiency motors.

#### *Pollution Problems:*

Basically the rerolling industry is considered as polluting industry. The major reason is use of high amount of fossil fuels for heating steel in reheating furnaces. Because of cost consideration this sector is now mainly using coal as fuel. Because of lower efficiency of burning of solid fuels and high ash contents, high SPM and GHG levels are generated. The pollution control devices installed in the mills are not properly designed. Because of this the mills are facing continuous pressure from PCBs for pollution abatement.

#### *Manpower restraints:*

Generally the rerolling mills are mainly run by undereducated but experienced foremen and completely illiterate/unskilled firemen. The availability of adequately educated / trained manpower is very less. Due to this, efficiency of operation is deteriorated. There is an urgent need to improve the situation by conducting specific training programs / courses for the sector.

#### *Management problems:*

The rerolling mills are mainly managed by entrepreneurs themselves and presence of professionals is almost nil. Because of this many a times the unit suffers due to differently focused it is felt that decision making. It is felt there is a need the existing entrepreneurs through EDP programs in professional management practices.

(Source: <http://srma.co.in/pdf/SRMA-Steel-Newsletter-23rd-issue.pdf>)

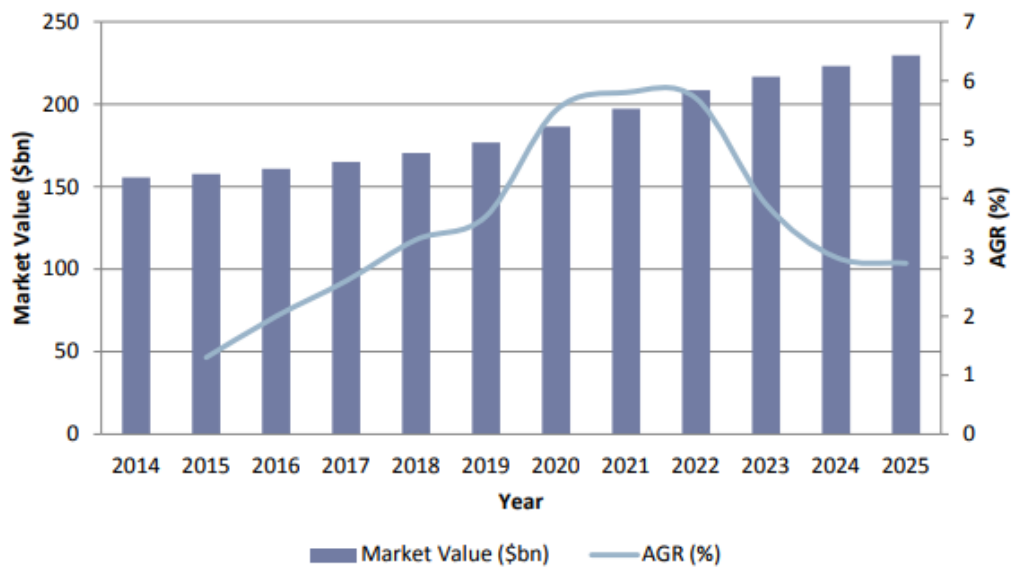
#### **Road ahead**

India is expected to overtake Japan to become the world's second largest steel producer soon, and aims to achieve 300 million tonnes of annual steel production by 2025-30.

India is expected to become the second largest steel producer in the world by 2018, based on increased capacity addition in anticipation of upcoming demand, and the new steel policy, that has been approved by the Union Cabinet in May 2017, is expected to boost India's steel production. Huge scope for growth is offered by India's comparatively low per capita steel consumption and the expected rise in consumption due to increased infrastructure construction and the thriving automobile and railways sectors.

Exchange Rate Used: INR 1 = US\$ 0.015 as of March 01, 2018.

Source: <https://www.ibef.org/industry/steel.aspx>)



(Source: <https://www.marketresearch.com/product/sample-9101739.pdf>)

## OUR BUSINESS

*This chapter should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the sections titled 'Risk Factors' and 'Financial Information' and the chapter titled 'Management Discussion and Analysis of Financial Condition and Results of Operations' beginning on page nos. 14, 145 and 169 respectively of this Prospectus.*

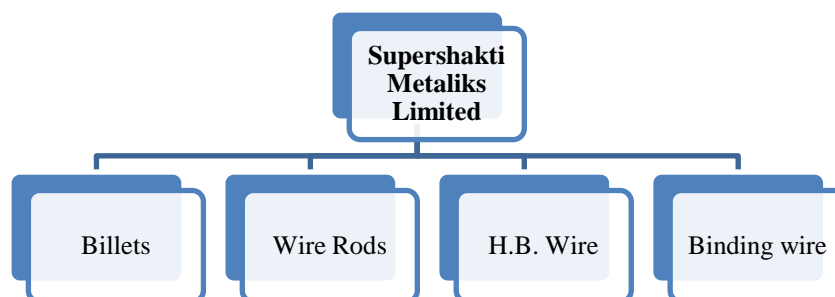
*Unless otherwise indicated, the financial information included herein is based on our Restated Financial Statements for Financial Year 2014, 2015, 2016, 2017 and 2018 included in this Prospectus. For further information, see "Financial Statements" on page no. 145 of this Prospectus. Unless the context otherwise requires, in this section, reference to "we", "us", "our", "Company" or "Our Company" refers to Supershakti Metaliks Limited.*

### OVERVIEW

Our company forms part of Sai Group which has carved itself into a well known group and established its goodwill in iron and steel manufacturing industry. Our specialized and dedicated team of professionals and engineers constantly keep abreast with the latest technology and trends as per the requirement of the industry.

Our company was incorporated on December 12, 2012 as 'Quentz Dealtrade Private Limited' under the provisions of Companies Act, 1956 with the Registrar of Companies, Kolkata. Further the name of our Company was changed to Supershakti Metaliks Private Limited vide special resolution passed at the Extra Ordinary General Meeting held on October 22, 2014. As a result of demerger through High Court order dated June 14, 2016 Super Smelters Limited, a company incorporated by our promoters Mr. Deepak Agarwal & Mr. Dilipp Agarwal, vested its Durgapur unit in our company with effect from April 01, 2015.

We are an ISO 9001: 2015 & ISO 14001: 2015 certified company. Our company strives to provide diversified products of steel, manufactured at our plant located at Kanjilal Avenue, opp. DPL Zone "B" Substation, Durgapur – 713210 spread over 11.27 acres. The plant is fully geared with latest technologies to provide competitive edge in the industry and is also compliant with the laws and licenses applicable on it. We are operating a Steel Melting Section with installed capacity of 1,35,000 MTPA to produce semi finished product (i.e. Billet) and Rolling Mill Section with installed capacity of 1,62,000 MTPA to produce Wire Rods, HB Wires, Binding Wires etc. in our plant. Our company is using Electrotherm equipments for Induction furnace and Armech Engineering machineries for its Block Mill. We have successfully established our brand in wide range of steel manufacturing, steel processing and other allied activities.



Mr. Dilipp Agarwal & Mr. Deepak Agarwal are the Promoter Directors and Mr. Ajay Kumar Bajaj is a Whole-time Director, who have vast experience in steel industry. Further, we have a dedicated team of professionals to look after matching the standards with the industry

Our revenue has increased at a CAGR of 21.07% from ₹ 24,566.88 lakhs in F.Y. 2015-16 to ₹ 36,008.73 lakhs in F.Y. 2017-18. PBT has increased at a CAGR of 334.70% from ₹ 100.03 lakhs in F.Y. 2015-16 to ₹ 1,890.23 lakhs in F.Y. 2017-18.



## STRENGTHS



### ***1. Complimentary product mix & high operating efficiency***

As an a steel manufacturer, we believe that our operations shall be sufficiently flexible to enable us to alter our product mix and position in order to minimize any adverse effect on our business in the highly cyclical steel industry, as prices and gross margins for each product in our production line vary and fluctuate. For e.g. Our Induction Furnace plant output i.e. Billets can be segregated and may be sold or may be provided as input for the Rolling Mills; and the output of rolling mill i.e. Wire rod can also be sold as well as used as input for the production of HB wire & Binding wire. We believe that our ability to change the product mix as and when required will give us the flexibility to serve a wide spectrum of clients, across various sectors.

The major raw material used in our manufacturing process i.e. sponge iron procured locally and also produced by our group company namely Super Smelters Limited. Further, every units finished product acts as a raw material for the next unit. Due to total integration, the company as a whole can reduce its cost of production and achieve better profitability. The company can sustain/absorb adverse market situation during cyclical recession.

### ***2. Experienced & Qualified Team:***

Our senior management team is experienced in this industry and in the application of marketing and distribution initiatives in this sector. The Promoter and the senior management team of our Company have significant industry experience and have been instrumental in the consistent growth of our Company's performance.

We believe that our management team's experience and their understanding of the Steel business will enable us to continue to take advantage of both current and future opportunities. It is also expected to help us on addressing and mitigating various risks inherent in our business, including significant competition. For further details on education, experience and other details of our Management and our Key Managerial Personnel, kindly refer to the Chapter titled "*Our Management*" beginning on page no. 118 of this Prospectus.

### ***3. Location of the Manufacturing Unit***

Our Company has manufacturing unit for the manufacture of its products located in the Kanjilal Avenue, opp. DPL Zone "B" Substation, Durgapur – 713210, West Bengal which is nearer to Kolkata Market.

- Well-developed industrial area having basic infrastructure facilities like power & water available locally;
- Availability of cheap labour from nearby villages and surrounding areas;
- Availability of skilled personnel from the nearby cities such as Kolkata;
- Proximity to Kolkata, which is one of the major market hubs in India.

#### **4. *Product diversification & Wide Product Offering***

Our Company enjoys a wide product range with diverse applications across downstream sectors. It possesses multiple manufacturing processes within the Plant with the ability to address customer orders with shrinking turnaround time. The Company has widest range of products enabling it to cater to wide spectrum of applications across the industries and balancing it out from market volatilities.

### **STRATEGIES**

The key elements of our strategy are as follows:

#### **1. *Expand Our Geographical network***

Our company has a prominent presence in Kolkata and nearby markets. Our historically developed distribution in domestic market has been critical to our growth. We intend to continue developing and nurturing existing market, and create new distribution channels in under and non-penetrated geographies. We aim to further develop our domestic sales networks in those territories where there are lower transportation costs and those which have a significant demand of our products, where we can sell at price-points that can effectively offset higher transportation costs. Such expansion plans are intended to be effected by in-house examination of the market potential of various territories and our available distribution network in such geographies.

#### **2. *Make optimal utilization of resources***

Our Company constantly endeavors to improve its productivity levels by optimum resource utilization, improvement in manufacturing process, skill up-gradation of our workers, modernization of machineries to achieve better asset turnover. We will continue to further improve our manufacturing processes to identify the areas of bottlenecks and correct them. This would help us in improving efficiency and putting resources to optimal use.

#### **3. *Increasing Operational efficiency***

We continue to invest in increasing our operational efficiency throughout the organization. We are addressing the increase in operational output through continuous process improvement, QC / QA activities, customer service, consistent quality and technology development. Alignment of our people to 'process improvement' through change management and upgrading of skills as required for customer satisfaction is a continuous activity. Awareness of this quality commitment is wide spread among all the employees

#### **4. *Competitive Pricing***

Price is an important aspect of a business' marketing mix and changing the price can drastically affect the marketing tactics necessary for success. To remain aggressive and capitalize a good market share, we believe in offering competitive prices to our customers. This helps us to sustain the cut-throat competition and withhold a strong position in the market. Further it helps us to prevent loss in company's market share.

### **DETAILS OF OUR BUSINESS**

#### **Location**

#### **Registered Office:**

Our Registered office is located at 39, Shakespeare Sarani, 3rd Floor, Kolkata – 700017, West Bengal

#### **Manufacturing unit:**

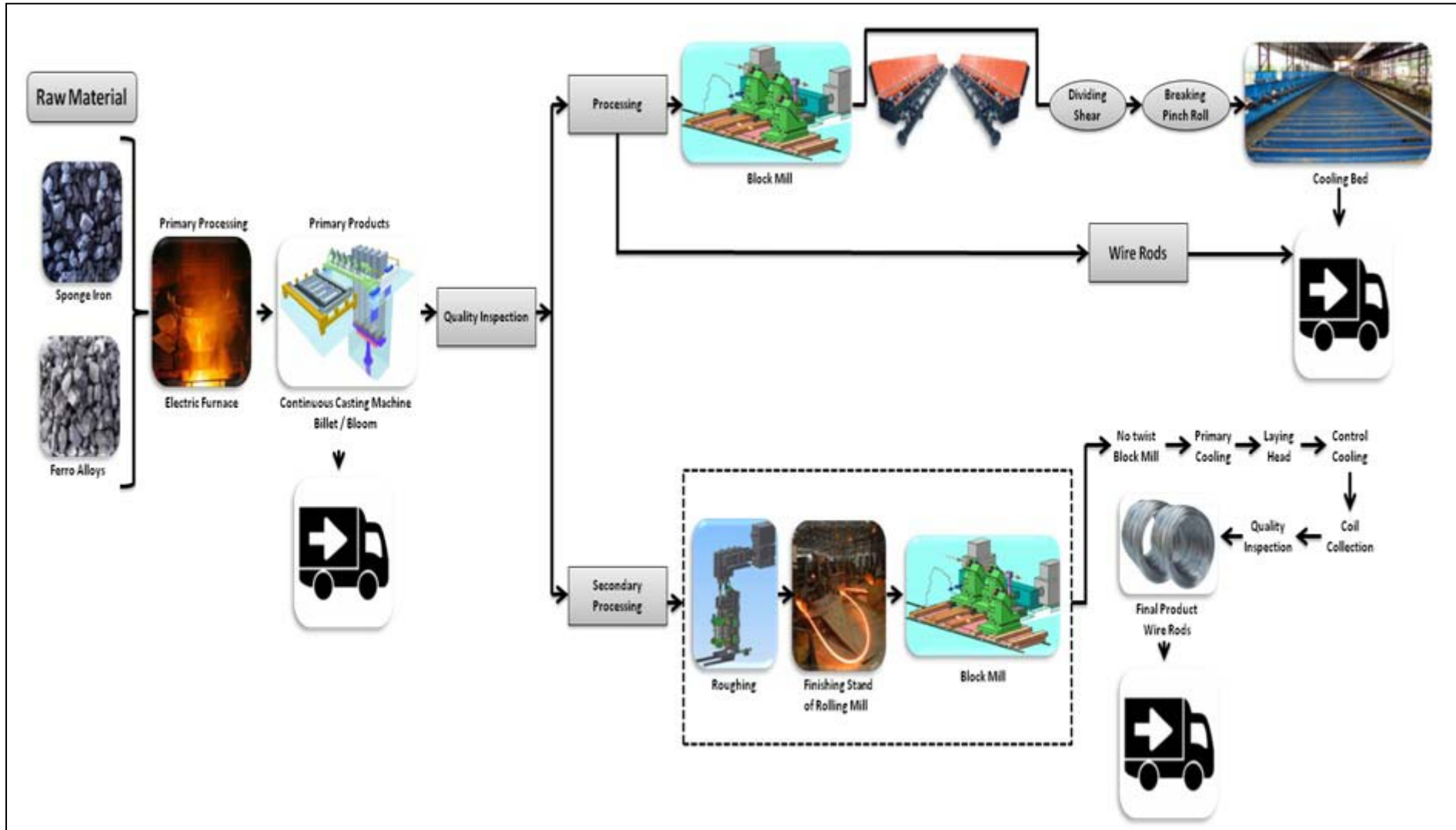
Our manufacturing unit is located at Kanjilal Avenue, Opp: DPL Zone, “B” Substation, Durgapur-713210.

## **Business Processes**

This process starts can be divided broadly into the following phases:

- Procurement of raw materials
- Melting in an induction furnace
- Continuous Casting
- QC - Chemical testing and matching to industrial standards
- Processing in Rolling Mill

Our Business Process is depicted as below:



### Procurement of Raw Materials:

Our major raw material for this process comprises of MS scrap, sponge iron and pig iron. All the required raw materials are locally available. In addition to that we import Scrap as per requirement. After purchasing of the required raw materials it is kept in the respective raw materials yard and unloaded with the help of magnet crane after quality and chemical composition checking.

### Melting in an induction furnace:

These raw materials are charged in the furnace through charging magnet cranes in the required ratio so that the composition is to be maintained. Time to time bath samples from each heat is taken for confirming the composition. After achieving the required temperature of heat recorded through thermo couple temperature recorder by dipping the tips, furnace is tilted at angle & the molten metal is poured in to the Ladle.



### Continuous Casting:



Ladle goes to Continuous Casting Machine (CCM) where temperature is confirmed and piercing with nitrogen is carried to get the material homogeneous. Then nozzle of ladle is opened through a remote control of hydraulic power pack and metal goes in tundish. Then nozzles of tundish are opened so that metal goes in to the Mould Tube, metal catches the dummy bar and DC oscillator works to level the molten metal. After primary cooling the Billet goes in to secondary cooling zone in apron and reaches to straighten and through roller table it reaches to Cooling Bed to both strands. The required length Billet is cutted with the help of hot gas cutter on roller table while continuous casting. Billet is shifted to the billet yard from cooling bed with the help of crane.

### Rolling Mill:

Raw materials for rolling mill is billet and these are being produced in our Induction Furnace (SMS). Hot Billets are being transferred through transfer table and conveyor table to rolling mill of RMS. In addition to direct charging, we have back up plan for reheating furnace where Cold billets can also being transferred through transfer table and EOT crane to reheating furnace of RMS. Cold billets are pushed inside reheating furnace with the help of hydraulic pusher. There are three zones in reheating furnace such as a) Ore Heating Zone (b) Heating zone and (c) Socking zone.



There are two systems through which we are feeding billets to roughing mill such as (1) Hot billet directly from CCM and (2) Reheating furnace. There are seventeen rolling stand through which the finished products produced. As per the requirement of finished products we are rolling the billets through different stands. There is block mill of six rolling stand and the final products are made to the required sizes with the help of Tougston Carbide Roll. Finished products are passed through controlled cooling and being passed through laying head. The final finished product is again cooled down and being collected at the coil collector and finally the coil is being sent to stock yard. Product is being tested by quality control department and after cooling is ready to dispatch for the sale.

**Wire Drawing Section:**

After processing of DC Continuous materials moved towards Wire Rod Block Mill for producing of wire rod. It has six stands Block and maintained the size as per size standard. After Block Mill material passed through the Cooling bed to maintain the cooling parameters. It enters Laying Head. On the laying head materials transformed in coil shape and sent to Mandrel by conveyor table. Then through Compactor coil done bundle and sent at Finish Yard for dispatches.

**Plant & Machinery**

Our manufacturing units at Kanjilal Avenue, opp. DPL Zone “B” Substation, Durgapur – 713210, West Bengal is equipped with state-of-the-art machines, installed to provide the best quality with latest technology and accurately tested products. Some of the key plant and machineries are listed below:

- Mechanical Roll mill
- Block Mill
- Wire Drawing Machine
- Induction furnace
- Reheating Furnance
- HT/LT Control Panel
- Continuous casting machine
- EOT Crane
- Transformer
- Thermo Mechanical Treatment Line Equipment
- Hydraulic Roll Grinding Machine
- Roll mill cooling bed

**Utilities****Raw Material****1. Induction Furnace:**

Induction furnace is using steel melting scrap, Sponge Iron & Pig Irons. Sponge iron is an iron source relatively uniform in composition, and virtually free from tramp elements. It is used increasingly in Electric Arc and Induction furnaces to dilute the contaminants present in the scrap used in these processes. It has an associated energy value in the form of combined carbon, which has a tendency to increase furnace efficiency.

Pig Iron is a semi-finished metal produced from iron ore in blast furnace, containing 92 percent iron, high amounts of carbon (typically up to 3.5 percent), and balance largely manganese and silicone plus small amounts of phosphorus, sulfur, and other impurities. Pig iron is further refined in a furnace for conversion into steel.

On an average the ratio of these items are 30% Scrap Iron and Pig Iron + 70% Sponge Iron. The technology of melting these input materials varies according to the availability of raw material and location of the plants and inputs of the sponge iron is consumed is as high as 85% as charge mix on bigger furnaces. All the raw material is available in the open market.



Scrap Iron :



Sponge Iron:



Pig Iron:



## 2. Rolling Mill & Wire Rod

The best raw material to produce high quality steel bars is Billets. High Quality of billets depends on chemical composition of billets which we check in our testing lab. Availability of Raw Material and Rate variable are not affected in production as raw material required by rolling mill is Billets and requirement of the same is fulfilled by us internally through our existing capacity.

We have inbuilt process to make Wire Rod as alternative. Billets are used as raw material for production of Wire Rod & the requirement of raw material is fulfilled by us internally. In case additional requirement, it is available from nearby manufacturers.

Billets:



## 3. Hard Black Wire & Binding Wire



Wire Rod is used as input materials for making of HB Wire and Binding Wire.

### ***Water***

Water is required both for manufacturing process and domestic purposes, which is met from Durgapur Projects Limited.

### ***Power***

We have entered into an agreement for the supply of electrical energy at extra high/high voltage with the Durgapur Projects Limited for supply of power upto 22,000 KVA. Our manufacturing plant and registered office have adequate power supply position from the public supply utilities.

### ***Effluent treatment***

The company is having effluent treatment plant. The company is having requisite approvals from Government bodies.

### ***Collaboration***

We have not entered into any collaboration agreement with a third party.

## Our Products & Services

### 1. Billets

Billets have a specific grain structure, which enables the metal to be processed more intricately. Steel billets are also known for their malleability and ductility, especially when exposed to varying temperatures during shaping and molding. Billets are the product of a melting shop which later goes through a rolling mill production line. They are the softest, highly ductile & most malleable form.

Sponge iron & Steel scrap and Pig Iron charged in the ratio of 70:30 into the induction furnace in batches. After the complete melting of charge, the hot liquid metal samples are taken to analyze the chemical ingredients present, i.e. carbon, manganese, silicon, phosphorous, sulphur etc. In order to balance chemistry of the metal as per required grade silico manganese and Ferro silicon is added. The temperature of liquid metal is raised to 1600 degree centigrade for casting. Billets are produced in a square cross-section of the area. They fall under the category of semi-finished casting products. Their final products involve bars, rods, wires & wire products.



### 2. Wire Rods

These wires have longer service life standards and are known for their tensile strength. Wire rod is a hot rolled steel product classified its shape. It is a rolled alloy or plain carbon steel product, produced from a semi mainly billet. It has a round, rectangular or other cross-section. Wire rod is wound into coils and transported in this form. In case the diameter is higher the product is called 'Bar in coil'. Fig 1 shows wire rod coil. Our company offers an assorted range of Wire Rod. This product is manufactured using advanced technology and premium quality grade wire rods which are being produced at our plants under the supervision of skilled professionals.

Wire rod coil is held in a unit with at least four steel straps in the transverse direction and transported and stored without further packaging. Before the steel strapping is applied, the wire rod must be sufficiently compressed. The strapping is fixed in the transverse direction with a single circumferential strap so that the strapping does not slip and cause the coil to come apart. Wire rods are used in the following industry: Nails, nuts, electrodes, Wire, Power Industry etc.



### 3. HB Wire & Binding Wire



We are a specialized manufacturer of a quality approved range of Quality HB Wires. Use of quality tested raw material and advanced manufacturing techniques, improve the applicability of our product and also ensure longer service life. Our products are available in varied dimensions and sizes, which can also be customized as per the preferences of the clients.

HB wire is raw material for in numbers of industries and products; some of them are namely, for manufacturing of Nails, cycle spokes, G.I. wire, Binding wire, Weld mesh, welding electrodes etc., and for other uses such as cement pole, cement pipe, bridges, handicrafts etc.

Binding Wire is used for the purpose of tying applications in the field of construction. It is used extensively in the construction sector for tying the rebars at the joints so as to keep the structure intact.

Binding wire is also called annealed wire and is made of mild steel. Annealing endows it with the properties like flexibility and softness, required for its main use.

#### Capacity Utilisation

Section	Particulars	For the Financial Year			Estimated Capacity for the Financial Year		
		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Induction Furnace	Installed Capacity Per Annum (MTPA)	90,000	90,000	1,35,000	2,08,800	2,08,800	2,08,800
	Capacity Utilised In MTPA	87,527	92,377	1,10,415	1,59,972	1,59,972	1,63,088
	Utilised Capacity (%)	97.25%	102.64%	81.79%	76.61%	76.61%	78.11%
Rolling Mill	Installed Capacity Per Annum (MTPA)	1,20,000	1,20,000	1,62,000	2,52,000	2,52,000	2,52,000
	Capacity Utilised In MTPA	76,808	92,329	1,16,788	1,56,690	1,64,388	1,73,844
	Utilised Capacity (%)	64.01%	76.94%	72.09%	62.18	65.23%	68.99%

#### Marketing

Our Company believes that the quality of their product and services are up to the mark and that's the major reason for being awarded with the orders. Our Company has a skilled team for marketing which personally indulges in formation of marketing strategies apt for the right promotion of the products manufactured by us. Our marketing team through their vast experience and good networking with clients owing to timely and quality delivery of service plays an instrumental role in creating and expanding a work platform for our Company. To retain our customers, our team, which comprises of people with vast experience regularly interacts with them and focuses on gaining an insight into the additional needs of customers.

Since the target industries and customers are known to us, the sales teams approach them and solicit business for various verticals. We believe that the quality of service we offer is one of our most effective marketing tools.

#### Collaborations

We have not entered into any technical collaboration agreements with any party

#### Seasonality

Our business is not seasonable in nature.

## Export and Export Obligations

Our Company doesn't have any export obligations as of March 31, 2018.

## Client Base

The following table illustrates the concentration of our revenues among our top customers

(₹ in lakhs)

Particulars	FY 2017-18		FY 2016-17		FY 2015-16	
	Revenue	%	Revenue	%	Revenue	%
Top 10 Customers	17,600.01	49.42%	11,176.18	41.81%	9,302.83	42.71%

## Our Major Supplier/Creditors

(₹ in lakhs)

Particulars	FY 2017-18*		FY 2016-17		FY 2015-16	
	Creditors	%	Creditors	%	Supplier	%
Top 10 Suppliers/ Creditors	2,579.69	89.61%	16,285.86	90.33%	12,883.63	89.53%

### \* Details of top 10 Creditors

Sr. No.	Particulars	Amount (₹ in lakhs)
1.	The Durgapur Projects Ltd (Power)	700.84
2.	Super Smelters Limited	546.17
3.	SPS Steel & Power Limited	545.73
4.	Sidhi vinayak metal and salt company Private Limited	427.18
5.	Shivam Dhatu Udyog Private Limited	180.92
6.	Durgapur Project Limited	50.69
7.	LCL Logistix (India) Private Limited	43.36
8.	Divya Jyoti Sponge Iron Private Limited	32.33
9.	Gagan Ferrotech Limited	27.25
10.	Ramsarup Lohh Udyog	25.24

## HUMAN RESOURCES

Our company believes that our ability to maintain growth depends on our strength in attracting, training, motivating and retaining employees. As on March 31, 2018, we have 376 employees on our payroll as mentioned below:

Sr. No.	Particulars	Number
1.	Director	1
2.	KMPs*	2
3.	Others	373
<b>Total</b>		<b>376</b>

\* Mr. Navin Agarwal and Mr. Shyam S. Somani were appointed on 01<sup>st</sup> April, 2018 hence are not included in the above table.

## QUALITY CONTROL

The ability to deliver consistently high quality steel products to customers is critical to our business. Quality control is ensured by strict adherence to work protocols, from the procurement of raw materials through the stages of production. Work procedures and instructions are upgraded or amended based on mutually agreed quality parameters between different departments. The quality parameters are tested, recorded and monitored by our Quality Assurance Team, as well as our customer and supplier departments. Quality control starts by testing

raw materials, process materials and semi-finished products, and ends at the testing and certification of finished products.

## COMPETITION

Steel being a vast and global industry, we face competition from various domestic and international players. Though being dominated by the large conglomerates, the industry is also unorganized and fragmented with many small and medium-sized companies and entities. Among Limited companies, we face competition from Shree Parashanath Re-rolling Mills Limited, Adhunik Industries Limited, Shakambhari Ispat & Power Limited, Rashmi Metalliks Limited.

We intend to continue competing vigorously to capture more market share and adding more management personnel to manage our growth in an optimal way. We believe that the principal factors affecting competition in our business include client relationships reputation, the abilities of our management and operating team and market focus. Our success also depends on our ability to understand the preferences of our existing and prospective customers. Our competencies are however in delivering timely executions well within the quality parameters.

## PROPERTIES / LAND DETAILS

We have following properties taken on lease/ rentals:

Sr. No.	Premises leased	Name of Lessor	Terms of Lease/ Rentals	Purpose
1.	39, Shakespeare Sarani, 3 <sup>rd</sup> Floor, Kolkata – 700017, West Bengal	Sai Highrise Private Limited <sup>(1)</sup>	From July 01, 2017 to June 30, 2020 – Yearly rental of ₹ 1,44,000/- and yearly service charges of ₹ 48,000/-	Registered office
2.	No. of C.S. Plots, 3333 (Part), 3367 (Part), 3369 (Part), 3370 (Part), 3371 (Part), 3372 (Part), 3373 (Part), 3374 (Part), 3375, 3376 (Part), 3377 (Part) & 3513 (Part).  Khatian No. 1, 1291, 577, 577, 1117, 202, 203, 609, 992, 990, 669 & 1; J.L. No. 85; Area of plot: 11.27 Acres; Touzi No: 1; Name of Mouza: Gopinathour; Name of Parganas: Silampore; Name of Thana: Durgapur; Sub-Registration Office: Durgapur City Centre; District: Burdwan	Governor of the State of West Bengal	From August 28, 1997 to August 27, 2057 – premium of ₹ 56,35,000/-	Manufacturing Plant

<sup>(1)</sup> Sai Highrise Private Limited belongs to our Promoter Group.





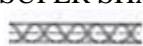
## INSURANCE

Our Company generally maintains insurance covering our stocks, machineries, assets etc. at such levels that we believe to be appropriate. We maintain Industrial All Risk (IAR) policy which provides insurance cover against Machines, loss or damage by fire, earthquake, terrorism, etc. and also, which we believe, is in accordance with customary industry practices.

We have taken insurance policies from United India Insurance Company Limited, National Insurance Company Limited and Tata AIG General Insurance Co. Ltd. covering the sum insured of ₹ 14,962.38 lakhs and Premium for the policies are of ₹ 8.04 lakhs.



## INTELLECTUAL PROPERTY

Sr. No.	Particulars of Intellectual Property	Mark Type	Proprietor's Name	Status	Valid Upto	Application No.	Class
1.	SUPER SHAKTI, SS DEVICE OF TMT BARS (LABELS) 	Device	Super Smelters Limited <sup>#</sup>	Registered	July 5, 2026	1467266	6
2.	SUPER SHAKTI 	Device	Super Smelters Limited <sup>#</sup>	Registered	November 22, 2022	2431526	6
3.	SUPER SHAKTI 	Device	Super Smelters Limited <sup>#</sup>	Registered	December 31, 2026	3447329	6
4.	SUPER SHAKTI 	Device	Super Smelters Limited <sup>#</sup>	Registered	November 22, 2022	2431529	14
5.	SUPER SHAKTI 	Device	Super Smelters Limited <sup>#</sup>	Registered	December 31, 2026	3447330	6

<sup>#</sup>In terms of Scheme of Arrangement for Demerger of “Durgapur Unit” of Super Smelters Limited (“SSL”) to and in Supershakti Metaliks Private Limited and de-merger of “Koderma Unit” of SSL to and in Sai Electrocasting Private Limited (“SEPL”), as approved by Hon’ble High Court of Calcutta through an order dated June 14, 2016 inter-alia all trademarks and other intellectual property rights registrations obtained by SSL for the operation of Durgapur Unit shall be available to vest in the Company. Subsequently, vide a Memorandum of Understanding dated November 1, 2017 executed between SSL, the Company (erstwhile as Supershakti Metaliks Private Limited) and SEPL, the parties thereto have inter-alia agreed that SSL, the Company and SEPL are entitled to use Brand Supershakti for selling their Products. For more details of Scheme of Arrangement please refer to chapter “History and Certain Corporate Matter” and “Government & Other Key Approvals” on pages 114 and 187 of this Prospectus.

## CERTIFICATIONS OBTAINED

Sr. No.	Particulars of License	Issuing Authority	Licensee	Validity	License No
1.	<u>AS/NZS ISO 9001: 2015/ ISO 9001:2015</u> For the scope of activities: Manufacturers of Grades of Billets, CTD Bars, TMT Bars, Wire Rods, Structural's & HB Wire.	KVQA Certification Services Private Limited	Supershakti Metaliks Private Limited	19.06.2017 to 18.06.2020	IQSC20170627
2.	<u>AS/NZS ISO 14001: 2015 &amp; ISO 14001:2015</u> For the scope of activities: Manufacturers of Grades of Billets, CTD Bars, TMT	KVQA Certification Services Private Limited	Supershakti Metaliks Private Limited	19.06.2017 to 18.06.2020	IESC201706007

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Sr. No.	Particulars of License	Issuing Authority	Licensee	Validity	License No
	Bars, Wire Rods, Structural & HB Wire.				



## KEY INDUSTRY REGULATIONS AND POLICIES

*In carrying on our business as described in the chapter titled “Our Business” beginning on page 90 of this Prospectus, our Company is regulated by the following legislations in India. The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from the various legislations, including rules and regulations promulgated by the regulatory bodies and the bye laws of the respective local authorities that are available in the public domain. The regulations and policies set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. For details of Government Approvals obtained by our Company in compliance with these regulations, please refer to the chapter titled “Government and Other Key Approvals” beginning on page 187 of this Prospectus.*

Our Company is engaged in the business of steel manufacturing, steel processing and other related activities. It is a source for variety of products such as Binding Wire, Wire Rod, HB Wire and Billet. Our business is governed by various central and state legislations that regulate the substantive and procedural aspects of our business. We are required to obtain and regularly renew certain licenses/ registrations and / or permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye laws, acts and policies.

Given below is a brief description of the certain relevant legislations that are currently applicable to the business carried on by us:

### A. Regulation governing Manufacturing Sector

The primary central legislations governing the manufacturing sector is the Factories Act, 1948 and the West Bengal Factories Rules, 1958, formed thereunder. In addition, compliance of various labour related legislations, including the Employees’ State Insurance Corporation Act, 1948, the Payment of Wages Act, 1956, The Minimum Wages Act, 1948, Equal Remuneration Act, 1976, Employees’ Compensation Act, 1923, Industrial Disputes Act, 1948, Payment of Gratuity Act, 1972, Employees’ Provident Funds and Miscellaneous Provisions Act, 1952, Payment of Bonus Act, 1965 and the West Bengal Shops and Establishment Rules, 1964 framed under the West Bengal Shops and Establishment Act, 1963 as is applicable in the state of West Bengal.

#### **The Factories Act, 1948**

The Factories Act, 1948 (“**Factories Act**”) seeks to regulate labour employed in factories and makes provisions for the safety, health and welfare of the workers. The term ‘factory’, as defined under the Factories Act, means any premises which employs or has employed on any day in the previous 12 (twelve) months, 10 (ten) or more workers and in which any manufacturing process is carried on with the aid of power, or any premises wherein 20 (twenty) or more workmen are employed at any day during the preceding 12 (twelve) months and in which any manufacturing process is carried on without the aid of power. An occupier of a factory under the Factories Act, means the person who has ultimate control over the affairs of the factory. The occupier or manager of the factory is required to obtain a registration for the factory. The Factories Act also requires inter alia the maintenance of various registers dealing with safety, labour standards, holidays and extent of child labour including their conditions. Further, notice of accident or dangerous occurrence in the factory is to be provided to the inspector by the manager of the factory.

#### **West Bengal Factories Rules, 1958**

The West Bengal Factories’ Rules, 1958 (“**the Rules**”) seek to regulate labour employed in factories in the state of West Bengal where minimum number of workmen engaged is 10 heads or more and running electric power of 20 heads without power. It is mandatory under the Rules, to apply for registration with Factory Plan for approval to the Inspector of Factory. Every occupier under the Rules are to ensure health, safety and welfare of all workmen while they are at work in the factory. Under the Rules, the occupier or manager of every factory is required to obtain previous permission for the construction or extension of a factory from the Chief Inspector of Factories. In case of change of Manager, the Rules provide that the occupier of a factory shall send a duly signed notice containing name and license number of the

factory, the postal address of the factory, name of the outgoing Manager, name of the new Manager with postal address if his residence and telephone number, if any, and the date of appointment of the new Manager. The Rules provide provisions incorporating working hours of adults, employment of young persons and exclusion of under age children. The Rules further provide provisions and compliances related to specific industries vide various schedules under Special Provisions provided under Chapter IX. It also encompasses provisions for reporting fatal and serious accidents happening in the factory by the Manager of the company and maintaining a register for the same.

### **Contract Labour (Regulation and Abolition) Act, 1970**

The Contract Labour (Regulation and Abolition) Act, 1970 (“**CLRA**”) is an act to regulate the employment of contract labour in certain establishments and to provide for its abolition in certain circumstances. The CLRA applies to every establishment in which 20 (twenty) or more workmen are employed or were employed on any day of the preceding 12 (twelve) months as contract labour. It also applies to every contractor who employs or who employed on any day of the preceding 12 (twelve) months, 20 (twenty) or more workmen provided that the appropriate Government may after giving not less than 2 (two) months' notice, by notification in the Official Gazette, apply the provisions of the CLRA to any establishment or contractor. Further, it contains provisions regarding Central and State Advisory Board under the CLRA, registration of establishments, and prohibition of employment of contract labour in any process, operation or other work in any establishment by the notification from the State Board, licensing of contractors and welfare and health of the contract labour. The Contract Labour (Regulation and Abolition) Central Rules, 1971 are formulated to carry out the purpose of the CLRA.

### **West Bengal Contract Labour (Regulation and Abolition) Rules, 1972**

Under the West Bengal Contract Labour (Regulation and Abolition) Rules, 1972 (“**the Rules**”), application by the principal employer has to be made for Registration Certificate in triplicate along with treasury receipt. The principle employer shall to maintain the register of contractors under the Rules. The Rules provides provisions for the Principal Employer/Contractor to display notice showing rates of wages, hours of work, wage period, date of payment of wages, name and address of the Inspectors having jurisdiction and date of payment of unpaid wages, in English, Hindi and the local language.

### **Employees' State Insurance Act, 1948**

The Employees State Insurance Act, 1948 (“**ESI Act**”) provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. Employers of factories and establishments covered under the ESI Act are required to pay contributions to the Employees State Insurance Corporation, in respect of each employee at the rate prescribed by the Central Government. Companies which are controlled by the Government are exempt from this requirement if employees receive benefits similar or superior to the benefits prescribed under the ESI Act. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

### **The Employees' Provident Fund and Miscellaneous Provisions Act, 1952**

The Employees Provident Funds and Miscellaneous Provisions Act, 1952 (“**EPF Act**”) was introduced with the object to institute compulsory provident fund for the benefit of employees in factories and other establishments. The EPF Act provides for the institution of provident funds and pension funds for employees in establishments where more than 20 (twenty) persons are employed and factories specified in Schedule I of the EPF Act. Under the EPF Act, the Central Government has framed the "Employees Provident Fund Scheme", "Employees Deposit-linked Insurance Scheme" and the "Employees Family Pension Scheme". Liability is imposed on the employer and the employee to contribute to the funds mentioned above, in the manner specified in the statute. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

### **The Industrial Disputes Act, 1947 and Industrial Dispute (Central) Rules, 1957**

The Industrial Disputes Act, 1947 (“**ID Act**”) was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the ID Act have been provided with several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond a prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. Employees may also be subject to the terms of their employment contracts with their employer, which contracts are regulated by the provisions of the Indian Contract Act, 1872. The ID Act also sets out certain requirements in relation to the termination of the services of the workman’s services. This includes detailed procedure prescribed for resolution of disputes with labour, removal and certain financial obligations up on retrenchment. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock-outs, closures, lay-offs and retrenchment.

### **Equal Remuneration Act, 1976**

Equal Remuneration Act, 1976 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith.

### **Maternity Benefit Act, 1961**

The purpose of Maternity Benefit Act, 1961 is to regulate the employment of pregnant women and to ensure that they get paid leave for a specified period before and after child birth. It provides, inter-alia, for payment of maternity benefits, medical bonus and enacts prohibitions on dismissal, reduction of wages paid to pregnant women, etc.

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

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

### **The Payment of Bonus Act, 1965**

The Payment of Bonus Act, 1965 (“**PB Act**”) is applicable to every factory and every other establishment employing 20 (twenty) or more persons. According to the provisions of the PB Act, every employer shall be bound to pay to every employee in respect of the accounting year a minimum bonus which shall be 8.33% of the salary or wage earned by the employee during the accounting year or Rs.100/-(Rupees One Hundred), whichever is higher, whether or not the employer has any allocable surplus in the accounting year. If the allocable surplus exceeds minimum bonus payable, then the employer must pay bonus proportionate to the salary or wage earned during that period, subject to maximum of 20% of such salary or wage. ‘Allocable surplus’ is defined as 67% of available surplus in the financial year, before making arrangements for the payment of dividend out of profit of our Company.

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

The Minimum Wages Act, 1948 (“**MW Act**”) came in to force with the objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MW Act, the appropriate government is authorised to fix the minimum wages to be paid to the persons employed in scheduled or non scheduled employment. Every employer is required to pay not less than the minimum wages to all employees engaged to do any work whether skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule to the MW Act, in respect of which minimum rates of wages have been fixed or revised under the MW Act.

### **The West Bengal Minimum Wages Rules, 1951**

The West Bengal Minimum Wages Rules, 1951 (“**MW Rules**”) were formulated under the Minimum Wages Act, 1948 for establishing minimum wages in certain categories as provided in the schedule and provides for the formation of a Board and procedure for filing application under the Rules. The Rules also provides that every employer or a person authorised by him shall issue wage slip in Form XV given in the Rules, to every person employed by him at least a day prior to disbursement of wages.

### **The Payment of Gratuity Act, 1972**

The Payment of Gratuity Act, 1972 (“**PG Act**”) applies to every factory and shop or establishment in which ten or more employees are employed. Gratuity is payable to an employee on the termination of his employment after he has rendered continuous service for not less than 5 (five) years:

- a) On his/her superannuation;
- b) On his/her retirement or resignation;
- c) On his/her death or disablement due to accident or disease (in this case the minimum requirement of 5 (five) years does not apply).

Gratuity is payable to the employee at the rate of 15 (fifteen) days’ wages for every completed year of service or part thereof in excess of 6 (six) months.

### **Trade Union Act, 1926**

The Trade Union Act, 1926 governs the disputes which arise/ may arise between employers and workmen or between workmen and workmen, or between employers and employees in connection to their employment, non-employment and the terms of employment or the conditions of labour. For the purpose of Trade Union Act, 1926, Trade Union means combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, or between employers and employees, or for imposing restrictive condition on the conduct of any trade or business etc.

### **Employee’s Compensation Act, 1923**

The Employee’s Compensation Act, 1923 provides for payment of compensation to employee and their dependants in case of injury and accident (including certain occupational disease) arising out of and in the course of employment and resulting in disablement or death. The Act applies to persons employed in factories, mines, plantations, mechanically propelled vehicles, construction works and certain other hazardous occupations. The amount of compensation to be paid depends on the nature of the injury and the average monthly wages and age of workmen. The minimum and maximum rates of compensation payable for death (in such cases it is paid to the dependents of employee) and for disability have been fixed and is subject to revision from time to time.

### **West Bengal Shops and Establishment Act, 1963**

The West Bengal Shops and Establishments Act, 1963 (“**WBSE Act**”) regulates holidays, hours of the work, payment of wages and leave of persons that are employed in shops and establishments and seeks to impose certain obligations upon the owner of a shop or an establishment to protect the workers employed and to secure for them employment in conditions conducive to their welfare of the persons employed in shops and establishments in Kolkata and other notified areas of West Bengal. The WBSE Act also makes

provisions regarding employment of women and young, annual leave with wages, overtime, specific working hours, prescribed opening and closing hours of the Shops & Establishments. The WBSE Act provides for compulsory registration of all Shops and Establishments within thirty days of commencement of work to the registered authority in such form along with the fees as may be prescribed. Our Company has its Registered Office at 39, Shakespeare Sarani, 3rd Floor, Kolkata – 700017, West Bengal, and accordingly the WBSE Act is applicable to our Company.

#### **West Bengal Shops and Establishment Rules, 1964**

The West Bengal Shops and Establishment Rules, 1964 (“**WBSE Rules**”) has been enacted under the WBSE Act for regulating the registration of shops and establishments, weekly closure, weekly holidays, hours of work and leave, payment of wages, recovery of wages and overtime. The WBSE Rules provides that every shop-keeper or employer shall maintain a register of employees and all information thereunder shall be kept up-to-date and necessary correctives shall be made within three days from the date on which any change takes place.

#### **Kolkata Municipal Corporation Act, 1980**

The Kolkata Municipal Corporation Act, 1980 (“**KMC Act**”) has been enacted to amend and consolidate the law relating to the municipal affairs of Kolkata. The KMC Act provides that every person engaged or intending to be engaged in any profession, trade or calling in Kolkata as mentioned in Schedule IV (given in the KMC Act), either by himself or by an agent or representative, shall obtain a certificate of enlistment or get the same renewed annually, as the case may be, from the Municipal Commissioner upon presentation of an application together with such application fee, not exceeding rupees ten, as may be determined by the Corporation. Our company has a Registered Office at 39, Shakespeare Sarani, 3rd Floor, Kolkata – 700017, West Bengal, and accordingly the KMC Act is applicable to our Company.

#### **West Bengal Fire Services Act, 1950**

The West Bengal Fire Services Act, 1950 (“**WBFS Act**”) provides for the maintenance of fire brigade, for the licensing of warehouses and for certain other mailers. The WBFS Act provides that the owner or occupier of a premises must not store or process any hazardous substance at any material point of time beyond such quantity as may be prescribed, unless the owner or occupier has been previously granted a license by the Collector.

#### **Legal Metrology Act, 2009**

The Legal Metrology Act, 2009 (“**LM Act**”) was enacted to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure and number and for matters connected therewith or incidental thereto. The LM Act inter-alia provides that every person having any weight or measure in his possession, custody or control in circumstances indicating that such weight or measure is being, or is intended or is likely to be, used by him in any transaction or for protection, shall, before putting such weight or measure into such use, have such weight or measure verified at such place and during such hours as the Controller may, by general or special order, specify in this behalf, on payment of such fees as may be prescribed.

Legal Metrology (Packaged Commodities) Rules, 2011 were framed under the Legal Metrology Act and lays down specific provisions applicable to packages intended for retail sale, whole-sale and for export and import of pre-packaged commodities. A “pre-packaged commodity” means a commodity which, without the purchaser being present is placed in a package of a pre-determined quantity. In terms of the Packaged Commodities Rules, it is illegal to manufacture, pack, sell, import, distribute, deliver, offer, expose or possess or sale any pre-packaged commodity unless the package is in such standard quantities or number and bears thereon such declarations and particulars as prescribed. Further, all pre-packaged commodities must conform to the declarations provided in accordance with the Legal Metrology Act. No pre-packaged commodity is permitted to be packed with error in net quantity beyond a stipulated limit as prescribed under the Packaged Commodities Rules.



## **B. Environmental Regulation**

Our Company is also required to obtain clearances and adhere to norms laid down under the Environment (Protection) Act, 1986, and other environmental laws such as the Water (Prevention and Control of Pollution) Act, 1974, the Water (Prevention and Control of Pollution) Cess Act, 1977 and the Air (Prevention and Control of Pollution) Act, 1981, before commencing its operations. To obtain an environmental clearance, a no-objection certificate from the concerned state pollution control board must first be obtained, which is granted after a notified public hearing, submission and approval of an environmental impact assessment ("EIA") report and an environment management plan (EMP).

Our Company must also comply at all times with the provisions of The Hazardous Waste (Management and Handling) Rules, 1989, as amended, and as superseded by the Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008, and the Manufacture, Storage and Import of Hazardous Chemicals Rules, 1989.

### **Environment Protection Act, 1986 and Environment (Protection) Rules, 1986**

The Environmental Protection Act, 1986 is an "umbrella" legislation designed to provide a framework for co-ordination of the activities of various central and state authorities established under various laws. The potential scope of the Act is broad, with "environment" defined to include water, air and land and the interrelationships which exist among water, air and land, and human beings and other living creatures, plants, micro-organisms and property.

#### **Water**

Legislations to control water pollution are listed below:

The ***Water (Prevention and Control of Pollution) Act, 1974*** prohibits the discharge of pollutants into water bodies beyond a given standard, and lays down penalties for non-compliance. The Water Act also provides that the consent of the State Pollution Control Board must be obtained prior to opening of any new outlets or discharges, which is likely to discharge sewage or effluent

The ***Water (Prevention and Control of Pollution) Cess Act, 1977*** provides for the levy and collection of a cess on water consumed by persons carrying on certain industries and by local authorities, with a view to augment the resources of the Central Board and the State Boards for the prevention and control of water pollution constituted under the Water (Prevention and Control of Pollution) Act, 1974.

#### **Air**

Legislations to control air pollution are listed below:

The ***Air (Prevention and Control of Pollution) Act, 1981*** requires that any individual or institution responsible for emitting smoke or gases by way of use as fuel or chemical reactions must apply in a prescribed form and obtain consent from the state pollution control board prior to commencing any activity. National Ambient Air Quality Standards (NAAQS) for major pollutants were notified by the Central Pollution Control Board in April 1994.

#### **Hazardous Wastes**

There are several legislations that directly or indirectly deal with hazardous wastes. The relevant legislations are:

- The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008
- The Public Liability Insurance Act, 1991
- The National Environment Tribunal Act, 1995 and some notifications under the Environmental Protection Act of 1986



## **Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008**

These rules require that the occupier and the operator of the facility, that treats hazardous wastes, must properly collect, treat, store or dispose the hazardous wastes without adverse effects on the environment. Schedule I of the said Rules lists out the primary and secondary production of iron and steel including other ferrous alloys (electric furnaces; steel rolling and finishing mills; Coke oven and by product plant) as a process that generates hazardous waste and therefore requires compliance under these Rules.

### **C. Tax Related Legislations**

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

Income-tax Act, 1961 (“**IT Act**”) is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of this Act or Rules made there under depending upon its ‘Residential Status’ and ‘Type of Income’ involved. Every assessee, under the IT Act, which includes a company, is required to comply with the provisions thereof, including those relating to tax deduction at source, advance tax, minimum alternative tax and like.

#### **Goods and Service Tax**

The Goods and Service Tax Act, 2017 (“**GST Act**”) is applicable on supply of goods or services. GST makes provisions for levying and collection of tax on intra-State supply of goods or services or both by the Central Government and for matters connected therewith or incidental thereto and is known as the Integrated GST (**IGST**). The Company has been registered under Section 69 of Chapter V of the Finance Act, 1994 which provides for levy and collection of Service Tax, under Section 6 of the Central Excise Act, 1944 and rules made thereunder for payment of Excise Duty; and is also registered under the West Bengal VAT Act, 2003, all these taxes and duties are subsumed into GST. Chapter XX of the GST Act makes provisions for transition from the old tax structure i.e., excise duty, service tax and sales tax to the GST regime.

#### **Professional Tax**

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

### **D. Other Legislations**

#### **Transfer of Property Act, 1882**

The transfer of property, including immovable property, between living persons, as opposed to the transfer property by operation of law, is governed by the Transfer of Property Act, 1882 (“**T.P. Act**”). The T.P. Act establishes the general principles relating to the transfer of property, including among other things, identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. Transfer of property is subject to stamping and registration under the specific statutes enacted for the purposes which have been dealt with hereinafter. The T.P. Act recognizes, among others, the following forms in which an interest in an immovable property may be transferred:

- **Sale:** The transfer of ownership in property for a price paid or promised to be paid.
- **Mortgage:** The transfer of an interest in property for the purpose of securing the payment of a loan, existing or future debt, or performance of an engagement which gives rise to a pecuniary liability. The T.P. Act recognises several forms of mortgages over a property.
- **Charges:** Transactions including the creation of security over property for payment of money to another which are not classifiable as a mortgage. Charges can be created either by operation of law, e.g. decree of the court attaching to specified immovable property, or by an act of the parties.
- **Leases:** The transfer of a right to enjoy property for consideration paid or rendered periodically or on specified occasions.
- **Leave and License:** The transfer of a right to do something upon immovable property without creating interest in the property.

Further, it may be noted that with regards to the transfer of any interest in a property, the transferor transfers such interest, including any incidents, in the property which he is capable of passing and under the law, he cannot transfer a better title than he himself possesses.

### **The Registration Act, 1908**

The Registration Act, 1908 was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Act is used for proper recording of transactions relating to other immovable property also. The Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

### **The Indian Stamp Act, 1899**

The Indian Stamp Act, 1899 prescribes the rates for the stamping of documents and instruments by which any right or liability is, or purports to be, created, transferred, limited, extended, extinguished or recorded. Under the Indian Stamp Act, 1899, an instrument not “duly stamped” cannot be accepted as evidence by civil court, an arbitrator or any other authority authorised to receive evidence. However, the document can be accepted as evidence in criminal court.

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

The Indian Contract Act, 1872 (“Contract Act”) codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and the breach enforced. It provides a framework of rules and regulations that govern formation and performance of contract. The contracting parties themselves decide the rights and duties of parties and terms of agreement.

### **The Specific Relief Act, 1963**

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

### **Competition Act, 2002**

The Competition Act, 2002 (“**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. The Competition Act regulates anti-competitive agreements, abuse of dominant position and combinations. The Competition Commission of India (Competition Commission) which became

operational from May 20, 2009 has been established under the Competition Act to deal with inquiries relating to anti-competitive agreements and abuse of dominant position and regulate combinations. The Competition Act also provides that the Competition Commission has the jurisdiction to inquire into and pass orders in relation to an anti-competitive agreement, abuse of dominant position or a combination, which even though entered into, arising or taking place outside India or signed between one or more non-Indian parties, but causes an appreciable adverse effect in the relevant market in India.

### **The Companies Act, 2013**

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

### **The Trademarks Act, 1999**

Under the Trademarks Act, 1999 (“**Trademarks Act**”), a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A ‘mark’ may consist of a device, brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colours or any combination thereof. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trade mark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The trademark, once applied for and which is accepted by the Registrar of Trademarks (“**the Registrar**”), is to be advertised in the trademarks journal by the Registrar. Oppositions, if any, are invited and, after satisfactory adjudications of the same, a certificate of registration is issued by the Registrar. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewal fee.

## **E. Regulations regarding Foreign Investment**

Foreign investment in companies in the iron and steel industry is governed by the provisions of the FEMA read with the applicable regulations. The Department of Industrial Policy and Promotion (“**DIPP**”), Ministry of Commerce and Industry has issued ‘Consolidated FDI’ (“**FDI Policy**”) which consolidates the policy framework on Foreign Direct Investment (“**FDI**”), with effect from August 28, 2017. The FDI Circular consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP till August 27, 2017. All the press notes, press releases, clarifications on FDI issued by DIPP till August 27, 2017 stand rescinded as on August 28, 2017. Vide an Office Memorandum dated June 5, 2017 (“**Office Memorandum**”); issued by Ministry of Finance, Department of Economic Affairs the Government of India has abolished Foreign Investment Promotion Board (“**FIPB**”).

Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the approval route, depending upon the sector in which foreign investment is sought to be made. Subsequent to the abolition of FIPB, the work of granting government approval for foreign investment under the FDI Policy and FEMA Regulations has now been entrusted to the concerned Administrative Ministries/Departments. FDI for the items or activities that cannot be brought in under the automatic route may be brought in through the approval route. Where FDI is allowed on an automatic basis without the approval of the Government, the RBI would continue to be the primary agency for the purposes of monitoring and regulating Foreign Investment. In cases where Government approval is obtained, no approval of the RBI is required except with respect to fixing the issuance price, although a declaration in the prescribed form, detailing the foreign investment, must be filed with the RBI once the foreign investment is made in the Indian company.

The RBI, in exercise of its power under the FEMA, has also notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017 to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. The FDI Policy issued by the DIPP does not prescribe any cap on the foreign investments in the sector in which the Company operates. Therefore, foreign investment up to 100% is permitted in the Company under the automatic route. No approvals of the Administrative Ministries/Departments or the RBI are required for such allotment of equity Shares under this Issue. The Company may be required to make certain filings with the RBI after the completion of the Issue.

## HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was incorporated as Quentz Dealtrade Private Limited on December 12, 2012 under the Companies Act, 1956, as private limited company, with the Registrar of Companies, West Bengal bearing Registration No. 189128. The name of our Company was changed to Supershakti Metaliks Private Limited pursuant to shareholders resolution passed on October 22, 2014 and a fresh Certificate of Incorporation pursuant to change of name issued by the Assist. Registrar of Companies, Kolkata on November 12, 2014. Subsequently, pursuant to resolution of shareholders on April 06, 2018, our Company was converted to a public limited company and the name of our Company was further changed to Supershakti Metaliks Limited. A fresh certificate of incorporation consequent on change of name was granted to our Company on May 03, 2018, by the Registrar of Companies, Kolkata.

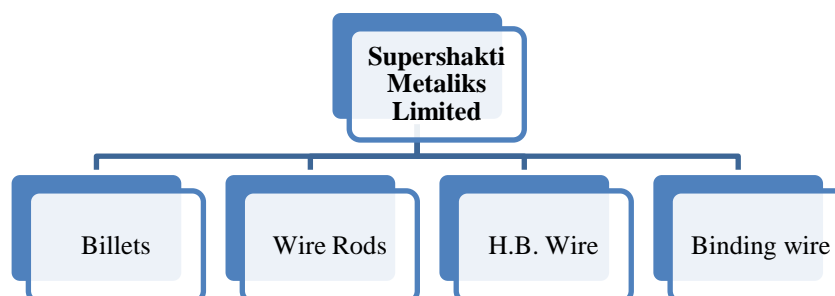
The Corporate Identity Number of our Company is U28910WB2012PLC189128.

Our company forms part of 'Sai Group' which has carved itself into a well known group and established its goodwill in iron and steel manufacturing industry.

Our Company, in 2013, was a Wholly Owned Subsidiary of our Group Company, Super Smelters Limited, also a Company under the Flagship of 'Sai Group'. Super Smelters Limited was operating through three units situated in Durgapur (Unit I), Koderma (Unit II) and Jamuria (Unit III). Its management decided to demerge three units as each unit has tremendous potential for growth and profitability and re-organization and segregation of business would provide focused management attention and required leadership for exploiting better opportunities. As a result, Unit I was vested in our Company, Unit II was vested in Sai Electrocasting Private Limited and Unit III was retained in Super Smelters Limited pursuant to Scheme of Arrangement approved by the Hon'ble High Court Order at Kolkata dated June 14, 2016.

Our Company pursuant to Hon'ble High Court Order at Kolkata also had to cancel the existing shares at the time of demerger and issue new shares to the shareholders of Super Smelters Limited.

We are an ISO 9001: 2015 & ISO 14001: 2015 certified company. Our company strives to provide diversified products of steel, manufactured at our plant located at Kanjilal Avenue, opp. DPL Zone "B" Substation, Durgapur – 713210 spread over 11.27 acres. The plant is fully geared with latest technologies to provide competitive edge in the industry and is also compliant with the laws and licenses applicable on it. We are operating a Steel Melting Section with installed capacity of 1,35,000 MTPA to produce semi finished product (i.e. Billet) and Rolling Mill Section with installed capacity of 1,62,000 MTPA to produce Wire Rods, HB Wires, Binding Wires etc. in our plant. Our company is using Electrotherm equipments for Induction furnace and Armech Engineering machineries for its Block Mill. We have successfully established our brand in wide range of steel manufacturing, steel processing and other allied activities.



Mr. Dilipp Agarwal & Mr. Deepak Agarwal are the Promoter Directors and Mr. Ajay Kumar Bajaj is a Whole-time Director, who have vast experience in steel industry. Further, our specialized and dedicated team of professionals and engineers constantly keep abreast with the latest technology and trends as per the requirement of the industry.

Our revenue has increased at a CAGR of 21.07% from ₹ 24,566.88 lakhs in F.Y. 2015-16 to ₹ 36,008.73 lakhs in F.Y. 2017-18. PBT has increased at a CAGR of 334.70% from ₹ 100.03 lakhs in F.Y. 2015-16 to ₹ 1,890.23 lakhs in F.Y. 2017-18.

For further details regarding our business operations, please see the chapter titled “Our Business” beginning on page no. 90 of this Prospectus.

Our Company has Fourteen (14) shareholders, as on the date of this Prospectus.

## MAJOR EVENTS

Financial Year	Milestones
December 2012	Incorporated as ‘Quentz Dealtrade Private Limited’
March 2013	Consolidation of shares of our Company of Re. 1 each into shares of ₹ 10/- each.
March 2013	Our Company became Wholly Owned Subsidiary of Super Smelters Limited and change in management of our Company
November 2014	Name of the Company was changed to Supershakti Metaliks Private Limited vide special resolution passed at the Extra Ordinary General Meeting held on October 22, 2014.
June 2016	Durgapur unit of Super Smelters Limited vested into our Company w.e.f. April 01, 2015 through the Scheme of Arrangement and the Order of the Hon’ble High Court, Calcutta dated June 14, 2016 and the existing shareholders of Super Smelters Limited whereby became the shareholders of our Company.
March 2017	Total Revenue for financial year 2016-17 has reached to ₹ 300 crores
March 2018	Total Revenue for financial year 2017-18 has reached to ₹ 360 crores. Also, profit after tax for ₹ 12.38 crores
May 2018	Our Company converted from Private Limited Company to Public Limited Company

## MAIN OBJECTS

The main object of our Company is as follows:

1. To carry on the business of and to set up steel making plants, steel furnaces, foundries, continuous castings, chilled castings, special alloys castings, forgings, rolling mills, structure mills, block mills, wire drawing mills, all kinds of steel and metal manufacturing plants for manufacturing, processing, fabricating, assembling, rolling, re-rolling, trading, exchanging, repairing, converting, developing, job working, importing, exporting, marketing etc of all types of iron & steel products including sponge iron, pig iron, billet, ingot, silico manganese, ferro chrome, alloys and non ferrous castings, TMT, bars, rods, rounds, flats, angles, channels, squares, joists, coils, strips, deformed bars, plains, wire rods, wires, wire products, pipes, tubes, all types and sizes of re-rolled sections, special steels etc and pursuing such other things associated with the above mentioned business as may be incidental thereof or conveniently carried in connection therewith and to sell, store and or deal in all by-products, scraps, wastes etc which will be obtained in the process of manufacturing etc of above mentioned products and to carry on the business of mining of all kinds of ores and minerals and its beneficiations and to set up of power plants, cement plants, any other ancillary plants and pursuing such other things and activities associated with the above mentioned business as may be incidental thereof or conveniently carried in connection therewith and to sell, store and or deal in all by-products, scraps, wastes etc which will be obtained in the process of above mentioned business.
2. To carry on the business as traders, sellers, buyers, exporters, importers, brokers, dealers, distributors, stockists, agents, sub-agents, buying agents, selling agents, commission agents etc of all types of iron and steel products, all types of alloys, ferrous and non ferrous products, minerals and ores of all grades including fines, scraps thereof, by-products, compound and mixtures, coal and cokes of all grades including fines, scraps thereof, utensils, appliances, accessories, office equipments and other related items, articles, commodities, metals, all types of plants, machineries, equipments, implements, apparatus, appliances, fixtures, devices, moulds, processes, scraps etc, industrial products, agricultural products, forest products, mineral products, industrial components, electronic spares & parts, all types of electrical goods including electrical bulbs, lamps, tubes, cables, wires, coils, switches, switch boxes, boards, fittings etc and to act as representatives, advisors, agents, sub-agents, commission agents of companies, firms, limited liability partnerships, trusts, individuals, persons, states, statutory bodies, and other bodies corporate to provide consultancy and advisory services of any kind or of any field, supervision and control in handling, loading, unloading etc of metals, minerals, ores, coals, cokes, building materials etc with or without the aid of plant



and machinery, mining activities and logistics management in all available modes of transport and any other business auxiliary services.

#### CHANGES IN REGISTERED OFFICE OF OUR COMPANY

The registered office of our Company was originally located at 85, Metcalfe Street, Kolkata, West Bengal – 700013.

Date of Change	Change of Registered Address		Reason for Change
	From	To	
June 17, 2013	85, Metcalfe Street, Kolkata, West Bengal - 700013	39, Shakespeare Sarani, 3 <sup>rd</sup> Floor, Kolkata, West Bengal – 700017	Change in Management

#### AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

Dates on which some of the main clauses of the Memorandum of Association of our Company have been changed citing the details of amendment as under:

Date	Nature of Amendment
March 15, 2013	Consolidation of 1,00,000 Equity Shares of Re. 1/- each into 10,000 Equity Shares of ₹ 10/- each
October 22, 2014	Alteration of Main Object Clause i.e. Clause III (A) by deleting Clause III (A) 1 and replacing it with new object Clause as ‘Clause III (A) 1 & 2’
October 22, 2014	Change in the name of our Company from “ <i>Quentz Dealtrade Private Limited</i> ” to “ <i>Supershakti Metaliks Private Limited</i> ” vide a fresh Certificate of Incorporation pursuant to the change of name on November 12, 2014
January 20, 2016	Authorised Share Capital of our Company was increased from ₹ 1,00,000 divided into 10,000 Equity Shares of ₹ 10/- each to ₹ 5,00,00,000 divided into 50,00,000 Equity Shares of ₹ 10/- each
January 20, 2016	Alteration of Main Object Clause & deletion of Other Objects i.e. Clause III (C) in line with Companies Act 2013
March 19, 2018	Authorised Share Capital of our Company was increased from ₹ 5,00,00,000 divided into 50,00,000 Equity Shares of ₹ 10/- each to ₹ 6,00,00,000 divided into 60,00,000 Equity Shares of ₹ 10/- each.
April 06, 2018	Our Company was converted into a public limited company under the Companies Act, 2013 and the name of our Company was consequently changed to “ <i>Supershakti Metaliks Limited</i> ” pursuant to certificate of incorporation dated May 03, 2018 issued by the Registrar of Companies, Kolkata

#### SUBSIDIARY COMPANIES

As on the date of this Prospectus we do not have any subsidiary companies.

#### HOLDING COMPANY

As on the date of this Prospectus, our Company does not have any holding company.

#### JOINT VENTURES

As on the date of this Prospectus, there are no joint ventures of our Company.

#### SHAREHOLDERS’ AGREEMENT

There are no Shareholders’ Agreements existing as on the date of this Prospectus.

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## **ACQUISITION OF BUSINESS / UNDERTAKINGS**

Our Company has not acquired any business or undertaken any mergers, amalgamation, revaluation of assets in the last five years except pursuant to the Scheme of Arrangement for Demerger under Section 391 to 394 and Sections 100 to 103 of the Companies Act, 1956 as approved by the Hon'ble High Court, Calcutta by its Order dated June 14, 2016; the Durgapur Unit of Super Smelters Limited ('Demerged Company') was vested in our Company; the Koderma Unit of Super Smelters Limited was vested in Sai Electrocasting Private Limited and the Jamuria Unit was retained by the Demerged Company as on the appointed dated being April 01, 2015.

In consideration of the transfer and vesting of the Durgapur Unit into our company, our Company issued and allotted Equity Shares, credited as fully paid up, to every equity shareholder of Super Smelters Limited, in the proportion shares held by them in Super Smelters Limited.

## **FINANCIAL PARTNERS**

We do not have any financial partners as on the date of this Prospectus.

## **STRATEGIC PARTNERS**

We do not have any strategic partners as on the date of this Prospectus.

## **OTHER AGREEMENTS**

Except the contracts / agreements entered in the ordinary course of the business carried on or intended to be carried on by our Company, we have not entered into any other agreement / contract as on the date of this Prospectus.

## **INJUNCTIONS OR RESTRAINING ORDERS**

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

## OUR MANAGEMENT

### Board of Directors:

Our Company has six (6) Directors consisting of one (1) Executive Director, two (2) Non-Executive Directors and three (3) Non-Executive Independent Directors. The following table sets forth the details of our Board of Directors as on the date of this Prospectus:

Name, Current Designation, Address, Occupation, Term and DIN	Nationality	Age	Other Directorships
<b>Mr. Dilipp Agarwal</b> <i>Chairman &amp; Non-Executive Director</i>  <b>Address:</b> Geetayan, 18 H, Alipore Road, Alipore, Kolkata - 700027  <b>Date of appointment as Non-Executive Director:</b> March 05, 2013  <b>Date of change in terms and appointment as Chairman:</b> May 04, 2018  <b>Term:</b> Liable to retire by rotation  <b>Occupation:</b> Business  <b>DIN:</b> 00343856	Indian	46 Years	<ul style="list-style-type: none"> <li>• Super Smelters Limited</li> <li>• Sai Electrocasting Private Limited</li> <li>• Supershakti Power &amp; Infrastructures Limited</li> <li>• Supershakti Energy &amp; Infrastructures Limited</li> <li>• Skoda Trexim Private Limited</li> <li>• Veerbhadra Sales Private Limited</li> <li>• Rocky Datamatics Private Limited</li> <li>• S S Natural Resources Private Limited</li> <li>• S.A.S.R.A Impex FZE</li> </ul>
<b>Mr. Deepak Agarwal</b> <i>Non-Executive Director</i>  <b>Address:</b> Geetayan, 18 H, Alipore Road, Alipore, Kolkata - 700027  <b>Date of appointment as Non-Executive Director:</b> March 05, 2013  <b>Date of change in terms:</b> May 04, 2018  <b>Term:</b> Liable to retire by rotation  <b>Occupation:</b> Business  <b>DIN:</b> 00343812	Indian	44 Years	<ul style="list-style-type: none"> <li>• Super Smelters Limited</li> <li>• Supershakti Power &amp; Infrastructures Limited</li> <li>• Supershakti Energy &amp; Infrastructures Limited</li> <li>• Skoda Trexim Private Limited</li> <li>• Veerbhadra Sales Private Limited</li> <li>• Rocky Datamatics Private Limited</li> </ul>
<b>Mr. Ajay Kumar Bajaj</b> <i>Whole-time Director</i>  <b>Address:</b> A-57, Megh Malhar Sarani, Bidhannagar, Durgapur, New Township Burdwan - 713212  <b>Date of appointment as Additional Director:</b> September 06, 2016  <b>Date of regularisation as Whole-time Director:</b> September 30, 2016  <b>Term:</b> Appointed for a term of three years	Indian	67 Years	NIL

Name, Current Designation, Address, Occupation, Term and DIN	Nationality	Age	Other Directorships
<b>Occupation:</b> Professional  <b>DIN:</b> 07604198			
<b>Mrs. Bhawna Khanna</b> <i>Non-Executive Independent Director</i>  <b>Address:</b> 305, Jessore Road, Roopshikha Apartment, Flat 3B, Tentultalla Bus Stand, North 24 Parganas, Kolkata, West Bengal - 700089  <b>Date of appointment as Additional Non-Executive Independent Director:</b> April 01, 2018  <b>Date of regularisation as Independent Director:</b> May 10, 2018  <b>Term:</b> Appointed for a term of five years w.e.f. April 01, 2018  <b>Occupation:</b> Professional  <b>DIN:</b> 06886294	Indian	43 Years	<ul style="list-style-type: none"> <li>Coronet Industries Limited</li> </ul>
<b>Mr. Vijay Kumar Bhandari</b> <i>Non-Executive Independent Director</i>  <b>Address:</b> 1704, Wallace Apartments (17 <sup>th</sup> floor), Sleater Road, Grant Road (W), Mumbai - 400007.  <b>Date of Appointment as Additional Non-Executive Independent Director:</b> April 01, 2018  <b>Date of regularisation as Independent Director:</b> May 10, 2018  <b>Term:</b> Appointed for a term of five years w.e.f. April 01, 2018  <b>Occupation:</b> Professional  <b>DIN:</b> 00052716	Indian	74 Years	<ul style="list-style-type: none"> <li>Jayant Agro-Organics Limited</li> <li>Kopran Limited</li> <li>HSIL Limited</li> <li>Super Smelters Limited</li> <li>Guru Nanak Auto Enterprises Limited</li> <li>Midland Microfin Limited</li> </ul>
<b>Mr. Tuhinanshu Shekhar Chakrabarty</b> <i>Non-Executive Independent Director</i>  <b>Address:</b> B/6, 208/01, B T Road, Baranagar (M), North 24 Parganas, Baranagar, West Bengal - 700036  <b>Date of appointment as Independent Director:</b> May 10, 2018  <b>Term:</b> Appointed for a term of five years w.e.f. April 01, 2018	Indian	70 Years	<ul style="list-style-type: none"> <li>Herbicides (India) Limited</li> </ul>

Name, Current Designation, Address, Occupation, Term and DIN	Nationality	Age	Other Directorships
<b>Occupation:</b> Professional  <b>DIN:</b> 05328779			

For further details on their qualification, experience etc., please see their respective biographies under the heading “*Brief Biographies*” below:

**Notes:**

- There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Directors were selected as a Director.
- There is no service contracts entered into by the Directors with our Company providing for benefits upon termination of employment.
- None of the Directors is or was a director of any listed company during the last five years preceding the date of this Prospectus, whose shares have been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in such company. However, Manor Floatel Limited, a Company listed on Calcutta Stock Exchange, in which Mr. Tuhinanshu Shekhar Chakrabarty was a Director, is suspended from being traded on Calcutta Stock Exchange.
- None of the Directors is or was a director of any listed company which has been or was delisted from any recognized stock exchange in India during the term of their directorship in such company.
- None of the Directors is categorized as a willful defaulter, as defined under SEBI (ICDR) Regulations.

**BRIEF BIOGRAPHIES OF OUR DIRECTORS**

**Mr. Dilipp Agarwal**

Mr. Dilipp Agarwal, aged 46 years, is the Chairman and Non-Executive Director of our Company. He holds Bachelor Degree in Commerce. Our Company has grown significantly under his guidance. He is having more than 2 decades of experience in the steel industry. Under his guidance not only our Company but the whole Group has been able to establish itself as a distinguished entity, dealing in a vast range of products.

**Mr. Deepak Agarwal**

Mr. Deepak Agarwal, aged 44 years, is the Non-Executive Director of our Company. He holds Bachelor's Degree in Commerce. He has over 2 decades of experience in the steel industry. He has been the guiding force behind the growth and business strategy of our Company. He has been instrumental in the consistent growth of our Group's performance and overall development.

**Mr. Ajay Kumar Bajaj**

Mr. Ajay Kumar Bajaj, aged 67 years, is the Whole-time Director of our Company. He is Bachelor of Science in Electrical Engineering from Bihar College of Engineering (Patna University). He is a fellow member of the Institution of Engineers (India). He has more than four decades of experience. He was associated with Hindustan Steel Works Construction Limited for around 3 decades. Further, he was associated with our Group Company, Super Smelters Limited for more than a decade. He has also overseen growth of our Company in various area of management. On the backdrop of working with Company he has been able to maintain robust growth and a name of our Company among other major steel players in the vicinity.

**Mrs. Bhawna Khanna**

Mrs. Bhawna Khanna, aged 43 years, is the Non-Executive Independent Director of our Company. She is a fellow member of The Institute of Chartered Accountants of India. She has completed her Post Qualification

Course in Information Systems Audit (ISA) from The Institute of Chartered Accountants of India. She also is a member of ICWA. She has around 18 years of vast experience in the field of accountancy & audit including 6 years practice under the flagship of 'B. Khanna & Associates'. As the Independent Director of our Company, she will be instrumental for providing her expertise & inputs, for ensuring the growth of our Company.

#### **Mr. Vijay Kumar Bhandari**

Mr. Vijay Kumar Bhandari, aged 74 years is the Non-Executive Independent Director of our Company. He is a fellow member of The Institute of Chartered Accountants of India. He has over 33 years of expertise in the banking and finance field. He was an Independent Director on the Board of Capital Small Finance Bank Limited for 8 years. Apart from our Company, currently he is independent director of HSIL Limited, Jayant Agro-organics Limited, Kopran Limited, Guru Nanak Auto Enterprises Limited and Super Smelters Limited and Non Executive Chairman of Midland Microfin Limited.

#### **Mr. Tuhinanshu Shekhar Chakrabarty**

Mr. Tuhinanshu Shekhar Chakrabarty, aged 70 years is the Non-Executive Independent Director of our Company. He holds M. A. in Economics from Calcutta University. He has more than three decade of experience in Banking Sector. He retired in the year 2007 as the Chief Manager in Indian Overseas Bank. He has also worked with various branches and department of the Indian Overseas Bank especially in credit operations department. Currently, he is working as an independent advisor to body corporate.

### **RELATIONSHIP BETWEEN DIRECTORS**

Except Mr. Dilipp Agarwal and Mr. Deepak Agarwal who being brothers, none of the Directors of the Company are related to each other.

### **Borrowing Powers of our Board of Directors**

Our Company at its Annual General Meeting held with shorter notice on May 10, 2018 passed a resolution authorizing Board of Directors pursuant to the provisions of section 180 (1) (c) of the Companies Act, 2013, including any statutory modifications or any modifications or any amendments or any substitution or re-enactment thereof, if any, for the time being in force, to borrow money, as and when required, from , including without limitation, any Bank and/or other Financial Institution and/or foreign lender and/or anybody corporate/ entity / entities and /or authority/authorities, any other securities or instruments, such as floating rate notes, fixed rate notes, syndicate loans, debentures, bonds, commercial papers, short term loans or any other instruments etc. And / or through credit card from official agencies and/or by way of commercial borrowings from the private sector window of multilateral financial institution, either in rupees or in such other foreign currencies as may be permitted by law from time to time, as may be deemed appropriate by the Board for any aggregate amount not exceeding ₹ 1000 crores, notwithstanding that money so borrowed together with the monies already borrowed by the Company, if any (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of the Company and free reserves.

### **REMUNERATION OF EXECUTIVE DIRECTORS**

#### **Mr. Ajay Kumar Bajaj, Whole-time Director**

The remuneration of our Whole-time Director, Mr. Ajay Kumar Bajaj, as per resolution passed at the meeting of the Board of the Company on April 03, 2018 is detailed hereunder:

Basic Salary: ₹ 70,000 per month

#### **Perquisites, Allowances:**

- HRA: at the rate of 40% of Basic Salary per month
- Special Allowance: ₹ 45,000 per month with the authority granted to Board of Directors to determine the salary and grant such increases from time to time

Remuneration paid to Mr. Ajay Kumar Bajaj for FY 2017-18 was ₹ 8.40 lakhs



### Compensation to the Non-Executive Independent Directors

Pursuant to a resolution passed at the meeting of the Board of the Company on May 10, 2018 the Non-Executive Independent Directors will be paid ₹ 5,000/- for attending every Board Meeting of the Company and ₹ 2,500/- for attending every committee meeting. In addition, the Non-Executive Independent Directors will be paid travelling expenses including airfare, hotel stay and car on rental basis for attending the meetings of the Board and such other expenses incurred by them and allowed to be reimbursed as per the provisions of the Companies Act, 2013.

Remuneration paid to our Non-Executive Directors for FY 2017-18: Nil

### Shareholding of Directors

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

Name of Directors	No. of Equity Shares held	% of Pre-Issue Paid Up Capital
Mr. Dilipp Agarwal	62,616	1.26%
Mr. Deepak Agarwal	75,593	1.52%
<b>Total</b>	<b>1,38,209</b>	<b>2.79%</b>

### Interest of the Directors

All of our Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of the Board or the committees thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under our Articles of Association, and to the extent of remuneration paid to them for services rendered as an officer or employee of our Company.

Our Directors may also be regarded as interested in the Equity Shares, if any, held by them or allotted to the companies in which they are interested as Directors, Members, and Promoter, pursuant to this issue. 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.

Except as stated in this chapter titled “*Our Management*” and the chapter titled “*Annexure XXIX- Related Party Transactions-* under chapter Financial Statement” beginning on page nos. 118 and 165 of this Prospectus respectively, our Directors do not have any other interest in our business.

Except as disclosed in “Properties” within the chapter titled “*Our Business*” on page no. 90 of this Prospectus, our Directors have no interest in any property acquired by our Company within two years of the date of this Prospectus. Further, except as disclosed in “Properties” within the section titled “*Our Business*” on page no. 90 of this Prospectus, our Company has not taken any property on lease from our Promoter within two years of the date of this Prospectus.

### Changes in the Board of Directors in the last three years

Following are the changes in our Board of Directors in the last three years:

Sr. No.	Name of Director	Date of Change	Reason for change
1.	Mr. Vijay Kumar Bhandari	April 01, 2018	Appointment as Additional Director
2.	Mrs. Bhawna Khanna	April 01, 2018	Appointment as Additional Director
3.	Mr. Tuhinanshu Shekhar Chakrabarty	April 01, 2018	Appointment as Additional Director
4.	Mr. Dilipp Agarwal	May 04, 2018	Designated as Chairman and Non-Executive Director
5.	Mr. Deepak Agarwal	May 04, 2018	Change in Term of Non-Executive Director
6.	Mr. Vijay Kumar Bhandari	May 10, 2018	Regularized as Non Executive Independent Director

Sr. No.	Name of Director	Date of Change	Reason for change
7.	Mrs. Bhawna Khanna	May 10, 2018	Regularized as Non Executive Independent Director
8.	Mr. Tuhinanshu Shekhar Chakrabarty	May 10, 2018	Regularized as Non Executive Independent Director
9.	Mr. Ajay Kumar Bajaj	September 06, 2016	Appointment as Additional Director
10.	Mr. Ajay Kumar Bajaj	September 30, 2016	Regularized as Whole-time Director

### Corporate Governance

The provisions of the SEBI (LODR) Regulations, 2015 with respect to corporate governance will be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchanges. We are in compliance with the requirements of the applicable regulations, including the SEBI (LODR) Regulations, 2015, the SEBI Regulations and the Companies Act, in respect of corporate governance including constitution of the Board and committees thereof. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

Our Board has been constituted in compliance with the Companies Act and SEBI (LODR) Regulations, 2015. The Board functions either as a full board or through various committees constituted to oversee specific functions. Our executive management provides our Board detailed reports on its performance periodically.

Currently, our Board has Six (6) Directors consisting of one (1) Executive Director, two (2) Non-Executive Directors and three (3) Non-Executive Independent Directors. Our Chairman is Non-Executive Director and we have a woman non executive independent director on our Board.

### Committees of our Board

We have constituted the following committees of our Board of Directors for compliance with Corporate Governance requirements:

1. Audit Committee
2. Stakeholder's Relationship Committee
3. Nomination and Remuneration Committee
4. Corporate Social Responsibility Committee

#### 1. Audit Committee

The Audit Committee of our Board was constituted by our Directors by a board resolution dated May 10, 2018 pursuant to section 177 of the Companies Act, 2013.

The Audit Committee comprises of:

Name of the Member	Nature of Directorship	Designation in Committee
Mr. Vijay Kumar Bhandari	Non Executive Independent Director	Chairman
Mrs. Bhawna Khanna	Non Executive Independent Director	Member
Mr. Deepak Agarwal	Non Executive Director	Member

The scope of Audit Committee shall include but shall not be restricted to the following:

- a) Oversight of the Issuer's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b) 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.

- c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- d) Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013
  - Changes, if any, in accounting policies and practices and reasons for the same
  - Major accounting entries involving estimates based on the exercise of judgment by management
  - Significant adjustments made in the financial statements arising out of audit findings
  - Compliance with listing and other legal requirements relating to financial statements
  - Disclosure of any related party transactions
  - Qualifications in the draft audit report.
- e) Reviewing, with the management, the half yearly financial statements before submission to the board for approval
- f) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ Draft prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- g) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- h) Approval or any subsequent modification of transactions of the company with related parties;
- i) Scrutiny of inter-corporate loans and investments;
- j) Valuation of undertakings or assets of the company, wherever it is necessary;
- k) Evaluation of internal financial controls and risk management systems;
- l) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- m) 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.
- n) Discussion with internal auditors any significant findings and follow up there on.
- o) 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.
- p) 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.
- q) 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.
- r) To review the functioning of the Whistle Blower mechanism.
- s) 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.

- t) 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.

Explanation (ii): If the Issuer has set up an audit committee pursuant to provision of the Companies Act, the said audit committee shall have such additional functions / features as is contained in this clause.

*The Audit Committee enjoys 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
- d) To secure attendance of outsiders with relevant expertise if it considers necessary
- e) The audit committee may invite such of the executives, as it considers appropriate (and particularly the head of the finance function) to be present at the meetings of the committee, but on occasions it may also meet without the presence of any executives of the Issuer. The CFO, head of internal audit and a representative of the statutory auditor may be present as invitees for the meetings of the audit committee.

*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 committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

The Company Secretary of the Company acts as the Secretary to the Committee.

#### *Meeting of Audit Committee*

The audit committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between two meetings. The quorum shall be either two members or one third of the members of the audit committee whichever is greater, but there shall be a minimum of two independent members present. Since the formation of the committee, no Audit Committee meetings have taken place.

## **2. Stakeholder's Relationship Committee**

The Stakeholder's Relationship Committee of our Board was constituted by our Directors pursuant to section 178 (5) of the Companies Act, 2013 by a board resolution dated May 10, 2018.

The Stakeholder's Relationship Committee comprises of:

Name of the Member	Nature of Directorship	Designation in Committee
Mr. Deepak Agarwal	Non Executive Director	Chairman
Mr. Ajay Kumar Bajaj	Whole-time Director	Member
Mrs. Bhawna Khanna	Non Executive Independent Director	Member

This committee will address all grievances of Shareholders/Investors and its terms of reference include the following:

- Allotment and listing of our shares in future
- Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate/split/consolidated share certificates;
- Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer/transmission of shares and debentures;
- Reference to statutory and regulatory authorities regarding investor grievances;
- To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
- And to do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

The Company Secretary of our Company acts as the Secretary to the Committee.

### ***Quorum and Meetings***

The quorum necessary for a meeting of the Stakeholders Relationship Committee shall be two members or one third of the members, whichever is greater. Since the formation of the committee, no Stakeholders Relationship Committee meetings have taken place.

### **3. Nomination and Remuneration Committee**

The Nomination and Remuneration Committee of our Board was constituted by our Directors pursuant to section 178(1) of the Companies Act, 2013 by a board resolution dated May 10, 2018.

The Nomination and Remuneration Committee currently comprises of:

Name of the Member	Nature of Directorship	Designation in Committee
Mr. Vijay Kumar Bhandari	Non Executive Independent Director	Chairman
Mr. Deepak Agarwal	Non Executive Director	Member
Mr. Tuhinanshu Shekhar Chakrabarty	Non Executive Independent Director	Member

The scope of Nomination and Remuneration Committee shall include but shall not be restricted to the following:

- 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;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity
- 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 their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

### ***Quorum and Meetings***

The quorum necessary for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members, whichever is greater. The Committee is required to meet at least once a year.

The Company Secretary of our Company acts as the Secretary to the Committee.

### **4. Corporate Social Responsibility Committee**

Our Corporate Social Responsibility Committee was constituted pursuant to resolution of our Board dated May 10, 2018. The Corporate Social Responsibility Committee comprises of the following:

<b>Name of the Member</b>	<b>Nature of Directorship</b>	<b>Designation in Committee</b>
Mr. Ajay Kumar Bajaj	Whole-time Director	Chairman
Mr. Dilipp Agarwal	Non Executive Director	Member
Mr. Tuhinanshu Shekhar Chakrabarty	Non Executive Independent Director	Member

The Company Secretary shall act as the secretary of the Corporate Social Responsibility Committee.

The terms of reference, powers and scope of the Corporate Social Responsibility Committee of our Company is in accordance with Section 135 of the Companies Act, 2013. The terms of reference of the Corporate Social Responsibility Committee include the following:

1. To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII as amended from time to time;
2. To recommend the amount of expenditure to be incurred on the activities referred to in clause (a) subject to the limit provided under Section 135 of the Companies Act;
3. To monitor the corporate Social Responsibility Policy of our Company from time to time;
4. To institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the company;
5. Any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

The quorum of the meeting shall be either two members or one third of the members of the committee whichever is greater.

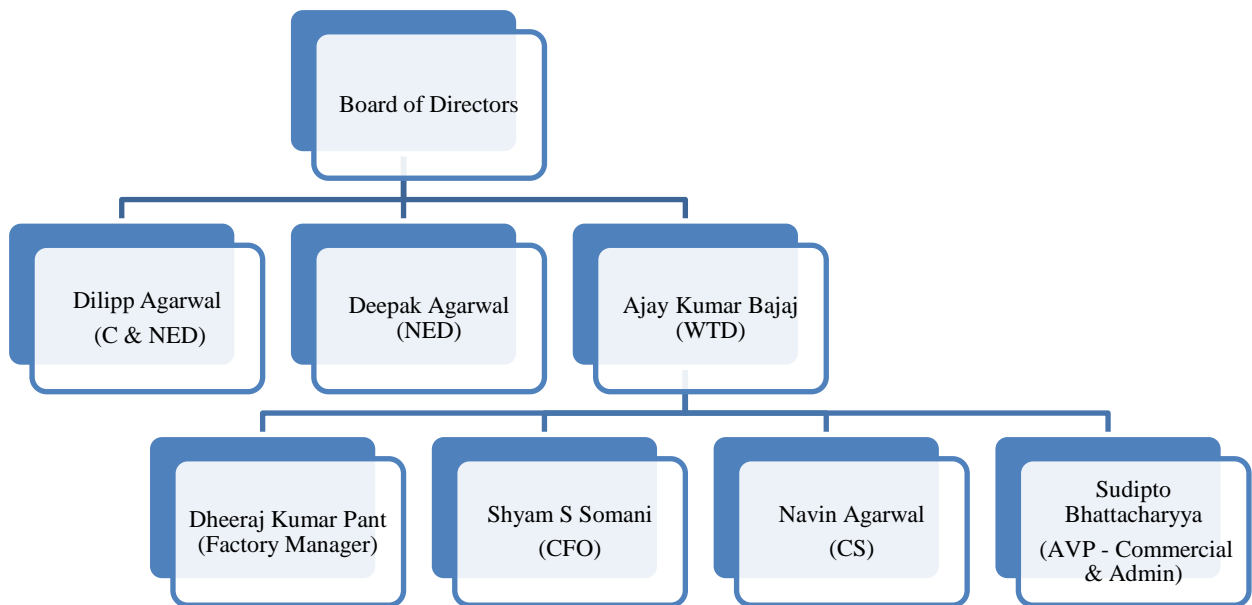
### **Policy on Disclosures & Internal procedure for prevention of Insider Trading**

The provisions of Regulation 8 and 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the Stock Exchange. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of our Equity Shares on stock exchange. Further, Board of Directors have approved and adopted the policy on insider trading in view of the proposed public offer.

Our Board is responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the code of conduct under the overall supervision of the board.



## Management Organization Structure



### Terms & Abbreviations

C	- Chairman
WTD	- Whole-time Director
NED	- Non-Executive Director
CFO	- Chief Financial Officer
CS	- Company Secretary
AVP	- Assistant Vice President

## Key Managerial Personnel

The details of our key managerial personnel are as below –

Name of Employee	Designation & Functional Area	Date of Appointment	Compensation for Last Fiscal (₹ in lakhs)	Qualification	Name of Previous Employer(s)	Total years of Experience
Mr. Navin Agarwal	Company Secretary	April 01, 2018	N. A.	<ul style="list-style-type: none"> <li>Chartered Accountant</li> <li>Company Secretary</li> </ul>	<ul style="list-style-type: none"> <li>Super Smelters Limited<sup>(1)</sup></li> <li>Onetwothreeindia.com Limited</li> <li>Loknath Saraf Securities Private Limited</li> <li>Lux Industries Limited</li> </ul>	18 Years
Mr. Shyam S Somani	Chief Financial Officer	April 01, 2018	N. A.	<ul style="list-style-type: none"> <li>Chartered Accountant</li> </ul>	<ul style="list-style-type: none"> <li>Super Smelters Limited<sup>(2)</sup></li> <li>VISA Steel Limited</li> <li>Standard Chartered Bank</li> <li>ICICI Bank Limited</li> </ul>	13 Years
Mr. Sudipto Bhattacharyya*	AVP - Commercial & Admin	September 01, 2016	4.21	<ul style="list-style-type: none"> <li>Bachelor in Commerce</li> <li>Diploma in Personal Management &amp; Industrial Relations</li> </ul>	<ul style="list-style-type: none"> <li>Super Smelters Limited<sup>(3)</sup></li> <li>IPPCA Merchants Private Limited</li> <li>Times of India</li> </ul>	22 Years
Mr. Dheeraj Kumar Pant*	Factory Manager	September 01, 2016	6.41	<ul style="list-style-type: none"> <li>Master in Science (Chemistry)</li> </ul>	<ul style="list-style-type: none"> <li>Super Smelters Limited<sup>(4)</sup></li> <li>Al-Oula Steel Manufacturing Company</li> <li>Prakash Industries Limited</li> </ul>	30 Years

\*Mr. Sudipto Bhattacharyya and Mr. Dheeraj Kumar Pant were employed in Durgapur unit of Super Smelters Limited since beginning of their tenure and pursuant to the scheme of Arrangement of Demerger they became employee of our Company as Durgapur unit was vested in our company.

<sup>(1)</sup> Mr. Navin Agarwal was associated with our group, Super Smelters Limited since over 3 years, prior to joining our Company

<sup>(2)</sup> Mr. Shyam S Somani was associated with our group, Super Smelters Limited since over 8 years, prior to joining our Company

<sup>(3)</sup> Mr. Sudipto Bhattacharyya was associated with our group, Super Smelters Limited since over one and a half decade, prior to joining our Company

<sup>(4)</sup> Mr. Dheeraj Kumar Pant was associated with our group, Super Smelters Limited since over 11 years, prior to joining our Company

### **Other Notes –**

The aforementioned KMP are on the payrolls of our Company as permanent employees. Also, they are not related parties as per the Accounting Standard 18.

### **Relationship amongst the Key Managerial Personnel**

None of the aforementioned KMP's are related to each other, Also, none of them have been selected pursuant to any arrangement / understanding with major shareholders / customers / suppliers.

### **Shareholding of Key Managerial Personnel**

None of our KMP's holds any shares of our Company as on the date of this Prospectus.

### **Interest of Key Managerial Personnel**

The Key Managerial Personnel of our Company do not have any interest in our Company, other than to the extent of remuneration of benefits to which they are entitled as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business. Further, if any Equity Shares are allotted to our Key Managerial Personnel prior to / in terms of this Issue, they will be deemed to be interested to the extent of their shareholding and / or dividends paid or payable on the same. For further details in relation to loan and interest, please refer “*Financial Statements- Schedule of Related Party Transactions*” beginning on page no. 165 of this Prospectus.

### **Bonus or Profit Sharing Plan for the Key Managerial Personnel during the last three years**

Our Company does not have fixed bonus / profit sharing plan for any of the employees or key managerial personnel.

### **Loans taken by Key Management Personnel**

None of our Key Managerial Personnel have taken any loan from our Company.

### **Employee Share Purchase and Employee Stock Option Scheme**

Presently, we do not have ESOP / ESPS scheme for employees.

### **Payment or Benefit to our Officers**

Except for the payment of salaries and yearly bonus, if any, we do not provide any other benefits to our employees.

### **Changes in the Key Managerial Personnel in the three years preceding the date of filing this Prospectus**

Except as disclosed below, there has been no change in KMPs in past three years from the date of this Prospectus:

<b>Name of Employee</b>	<b>Designation &amp; Functional Area</b>	<b>Date of Appointment</b>
Mr. Navin Agarwal	Company Secretary & Compliance Officer	April 01, 2018
Mr. Shyam S Somani	Chief Financial Officer	April 01, 2018
Mr. Sudipto Bhattacharyya	AVP - Commercial & Admin	September 01, 2016
Mr. Dheeraj Kumar Pant	Factory Manager	September 01, 2016



## OUR PROMOTERS AND PROMOTER GROUP

### THE PROMOTERS OF OUR COMPANY ARE:

1. Mr. Dilipp Agarwal (Individual Promoter)
2. Mr. Deepak Agarwal (Individual Promoter)
3. Veerbhadra Sales Private Limited (Corporate Promoter)
4. Khandelwal Finance Private Limited (Corporate Promoter)

As of the date of this Prospectus, our Promoters hold (in aggregate) 12,54,536 Equity Shares, representing up to 25.28% of the issued, subscribed and paid-up Equity Share capital of our Company.

The details of our Promoters are provided below:

	<table> <tr><td colspan="2"><b>Mr. Dilipp Agarwal</b></td></tr> <tr><td colspan="2"><b>PAN:</b> AEAPK5325C</td></tr> <tr><td colspan="2"><b>Passport No.:</b> Z4477542</td></tr> <tr><td colspan="2"><b>Driver's License No.:</b> WB-20200294695</td></tr> <tr><td colspan="2"><b>Voter's ID No.:</b> XYR1116664</td></tr> <tr><td colspan="2"><b>Name of Bank &amp; Branch:</b> HDFC Bank, U N Brahmachari Street, Kolkata</td></tr> <tr><td colspan="2"><b>Bank A/c No.:</b> 01051000086182</td></tr> <tr> <td><b>Other Interests:</b></td><td> <ul style="list-style-type: none"> <li>• Super Smelters Limited</li> <li>• Sai Electrocasting Private Limited</li> <li>• Supershakti Power &amp; Infrastructures Limited</li> <li>• Supershakti Energy &amp; Infrastructures Limited</li> <li>• Skoda Trexim Private Limited</li> <li>• Veerbhadra Sales Private Limited</li> <li>• Rocky Datamatics Private Limited</li> <li>• S S Natural Resources Private Limited</li> <li>• Khandelwal Finance Private Limited</li> <li>• Promotional Equity Services Private Limited</li> <li>• Sri Vinayak Fincon Private Limited</li> <li>• AKP Highrise Private Limited</li> <li>• Resplendent Highrise Private Limited</li> <li>• Robust Highrise Private Limited</li> <li>• Sai Sponge (India) Private Limited</li> <li>• S.A.S.R.A Impex FZE</li> <li>• Sasra Global Co.</li> </ul> </td></tr> </table>	<b>Mr. Dilipp Agarwal</b>		<b>PAN:</b> AEAPK5325C		<b>Passport No.:</b> Z4477542		<b>Driver's License No.:</b> WB-20200294695		<b>Voter's ID No.:</b> XYR1116664		<b>Name of Bank &amp; Branch:</b> HDFC Bank, U N Brahmachari Street, Kolkata		<b>Bank A/c No.:</b> 01051000086182		<b>Other Interests:</b>	<ul style="list-style-type: none"> <li>• Super Smelters Limited</li> <li>• Sai Electrocasting Private Limited</li> <li>• Supershakti Power &amp; Infrastructures Limited</li> <li>• Supershakti Energy &amp; Infrastructures Limited</li> <li>• Skoda Trexim Private Limited</li> <li>• Veerbhadra Sales Private Limited</li> <li>• Rocky Datamatics Private Limited</li> <li>• S S Natural Resources Private Limited</li> <li>• Khandelwal Finance Private Limited</li> <li>• Promotional Equity Services Private Limited</li> <li>• Sri Vinayak Fincon Private Limited</li> <li>• AKP Highrise Private Limited</li> <li>• Resplendent Highrise Private Limited</li> <li>• Robust Highrise Private Limited</li> <li>• Sai Sponge (India) Private Limited</li> <li>• S.A.S.R.A Impex FZE</li> <li>• Sasra Global Co.</li> </ul>
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		<ul style="list-style-type: none"> <li>• Subhrekha Agriant Private Limited</li> <li>• Tirupati Impex</li> </ul>
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For additional details on the age, background, personal address, educational qualifications, experience, positions / posts, other ventures and Directorships held in the past of our Individual Promoters, please see the chapter titled “Our Management” beginning on page no. 118 of this Prospectus and “Our Promoters and Promoter Group” on page no. 131 of this Prospectus.

For details of the build-up of our Promoters’ shareholding in our Company, please see “Capital Structure – Notes to Capital Structure” on page no. 56 of this Prospectus.

## Veerbhadra Sales Private Limited (‘VSPL’)

### Corporate Information

<b>Name</b>	Veerbhadra Sales Private Limited
<b>Permanent Account Number</b>	AABCV0207A
<b>Corporate Identity Number</b>	U51109WB1995PTC070525
<b>Registered Office</b>	39, Shakespeare Sarani, 3 <sup>rd</sup> Floor, Kolkata - 700017
<b>Bank Account Number</b>	0135103000005258
<b>Name of the Bank and Branch</b>	IDBI Bank, Kolkata Main Branch

### History and Background

Veerbhadra Sales Private Limited (‘VSPL’) was originally incorporated under the Companies Act, 1956 as “Veerbhadra Sales Private Limited” on March 30, 1995 at Kolkata with the Registrar of Companies, Kolkata vide registration No. 21-70525 of 1995. Its registered office is situated at 39, Shakespeare Sarani, 3<sup>rd</sup> Floor, Kolkata - 700017, West Bengal. Veerbhadra Sales Private Limited is the corporate promoter of our Company and holds of the 16.34% pre-issue paid up equity share capital of our company.

VSPL is a non banking financial company to carry on the business of an Investment Company by way of financing industrial and commercial enterprises, by purchasing, acquiring, holding, disposing off or otherwise dealing in either for ready or on forward transactions in shares, stocks, debentures, bonds, mortgages, obligations and securities issued or guaranteed by any Company or Government or any other authority and to make loans, give guarantees and provide securities to any Company whether associated with or promoted and/or managed by this Company or not and to any firm or any individual for business purposes and to do all acts incidental to such business. VSPL has obtained the Certificate of Registration pursuant to section 45 IA of the Reserve Bank of India Act, 1934 vide Registration No. B-05.04842 dated April 17, 2003.

### Board of Directors of VSPL as on date of this Prospectus

Sr. No.	Name of Director	Designation
1.	Mr. Deepak Agarwal	Director
2.	Mr. Dilipp Agarwal	Director

### Shareholding Pattern

Shareholder name	% of Total Holding
Promoters and Promoter Group	74.62%
Others	25.38%
<b>Total</b>	<b>100.00%</b>

### Change in control or management in the last three years

There has been no change in control or management of VSPL in the last three years immediately preceding the date of this Prospectus.

## Financial Information

The following information has been derived from the audited financial statements of VSPL for the last three financial years:

(₹ in lakhs)

Sr. No.	Particulars	As at March, 31		
		2017	2016	2015
1.	Share Capital	1,348.04	1,348.04	1,348.04
2.	Reserves (Excluding revaluation reserve) and Surplus	8,413.73	8,415.81	8,418.06
3.	Networth	9,761.77	9,763.85	9,766.10
4.	Income including other income	-	-	-
5.	Profit/(Loss) after tax	(2.08)	(2.25)	(0.66)
6.	Earnings Per Share (EPS) (F. V. ₹ 10/- each)	(0.01)	(0.02)	(0.00)
7.	Net Asset Value (NAV) Per Share	72.41	72.43	72.45

## Other disclosures:

- The equity shares of VSPL are not listed on any stock exchange;
- VSPL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is under winding up. Further, VSPL does not have a negative net-worth in the immediately preceding year.
- No application has been made to RoC for striking off the name of VSPL;
- VSPL is not prohibited from accessing the capital markets for any reasons by the SEBI or any other authorities.

There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against the Company.

## Khandelwal Finance Private Limited ('KFPL')

### Corporate Information

<b>Name</b>	Khandelwal Finance Private Limited
<b>Permanent Account Number</b>	AABCK0833D
<b>Corporate Identity Number</b>	U67120WB1991PTC053666
<b>Registered Office</b>	39, Shakespeare Sarani, 3 <sup>rd</sup> Floor, Kolkata – 700017
<b>Bank Account Number</b>	135103000004770
<b>Name of the Bank and Branch</b>	IDBI Bank, Shakespeare Sarani Branch, Kolkata

## History and Background

Khandelwal Finance Private Limited ('KFPL') was originally incorporated under the Companies Act, 1956 as "Khandelwal Finance Private Limited" on November 27, 1991 at Kolkata with the Registrar of Companies, Kolkata vide registration No. 21-53666 of 1991. Its registered office is situated at 39, Shakespeare Sarani, 3<sup>rd</sup> Floor, Kolkata - 700017, West Bengal. KFPL is the corporate promoter of our Company and holds of the 6.15% pre-issue paid up equity share capital of our company.

KFPL is a non banking financial company established to lend money with or without security to such Companies, firms or persons and on such conditions as may seem expedient and to guarantee the performance of contracts by any person, companies or firms and to carry on the business of investing and financing of industrial enterprises. KFPL has obtained the Certificate of Registration pursuant to section 45 IA of the Reserve Bank of India Act, 1934 vide Registration No. B.05-00945 dated July 08, 2004.



### Board of Directors of KFPL as on date of this Prospectus

Sr. No.	Name of Director	Designation
1.	Mrs. Priti Agarwal	Director
2.	Mrs. Vibha Agarwal	Director

### Shareholding Pattern

Shareholder name	% of Total Holding
Promoters and Promoter Group	99.13%
Others	0.87%
<b>Total</b>	<b>100.00%</b>

### Change in control or management in the last three years

There has been no change in control or management of KFPL in the last three years immediately preceding the date of this Prospectus.

### Financial Information

The following information has been derived from the audited financial statements of KFPL for the last three financial years:

(₹ in lakhs)

Sr. No.	Particulars	As at March, 31		
		2017	2016	2015
1.	Share Capital	769.59	769.59	769.59
2.	Reserves (Excluding revaluation reserve) and Surplus	9,090.94	9091.17	9091.39
3.	Networth	9,860.53	9860.76	9860.98
4.	Income including other income	-	-	-
5.	Profit/(Loss) after tax	(0.22)	(0.22)	(0.89)
6.	Earnings Per Share (EPS) (F. V. ₹ 10/- each)	(0.00)	(0.00)	(0.01)
7.	Net Asset Value (NAV) per Share	128.13	128.13	128.13

### Other disclosures:

- The equity shares of KFPL are not listed on any stock exchange;
- KFPL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is under winding up. Further, KFPL does not have a negative net-worth in the immediately preceding year.
- No application has been made to RoC for striking off the name of KFPL;
- KFPL is not prohibited from accessing the capital markets for any reasons by the SEBI or any other authorities.

There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against the Company.

### Natural Persons behind Corporate Promoters i.e. VSPL and KFPL

The natural persons behind our corporate promoters, VSPL and KFPL, are Mr. Sitaram Agarwal, Mr. Dilip Agarwal and Mr. Deepak Agarwal.

### Other Undertakings and Confirmations

We confirm that the Permanent Account Number, Bank Account number and Passport number of our Individual Promoters has been submitted to Stock Exchange at the time of filing of the Draft Prospectus with the Stock Exchange.

We further confirm that the details of the PAN, bank account numbers, the company registration number and the addresses of the Registrar of Companies where the Corporate Promoters are registered has been submitted to Stock Exchanges at the time of submission of the Draft Prospectus with the Stock Exchange.

Our Promoters and the members of our Promoters Group have confirmed that they have not been identified as wilful defaulters by the RBI or any other governmental authority.

No violations of securities laws have been committed by our Promoters or members of our Promoters Group or any Group Companies in the past or are currently pending against them. None of (i) our Promoters and members of our Promoters Group or persons in control of or on the boards of bodies corporate forming part of our Group Companies (ii) the Companies with which any of our Promoters are or were associated as a promoter, director or person in control, are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

### **Interests of Promoters**

None of our Promoters / Directors have any interest in our Company except to the extent of compensation payable / paid, rents on properties owned by them but used by our Company and reimbursement of expenses (if applicable) and to the extent of any equity shares held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as director, member, partner, and / or trustee, and to the extent of benefits arising out of such shareholding. For further details on the interest of our Promoters in our Company, please see “*Capital Structure*”, “*Our Promoters, Promoter Groups*” and “*Our Management*” beginning on page nos. 55, 131 and 118 respectively of this Prospectus.

Except as stated otherwise in this Prospectus, we have not entered into any contract, agreements or arrangements in which our Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company other than in the normal course of business.

### **Common Pursuits of Promoters / Group Companies**

Our Group Companies have been authorized by its respective Memorandum of Associations to undertake activities which are similar to ours and are currently engaged in businesses similar to ours. Following are the Group Companies, whose main objects are similar to ours and this may result in potential conflicts of interest with our Company in the future –

- Super Smelters Limited
- Sai Electrocasting Private Limited

Our Company has not adopted any measures for mitigating such conflict situations.

### **Related Business Transactions within our Corporate Promoter, Group Companies, Associates and significance on the financial performance**

For details, please see “*Financial Statements*” beginning on page 145 of this Prospectus. Other than as discussed under the head - *Annexure XXIX - Related Party Transactions*” beginning on page 165 of this Prospectus, there are no sales/ purchases between our Company and our Corporate Promoter or our Group Companies or our Associates, wherein sales/ purchase exceed in value aggregate of 10% of the total sales or purchases of our Company.

### **Companies with which the Promoters has disassociated in the last three years**

Except as mentioned below, our Promoters have not disassociated themselves from any companies, firms or entities during the last three years preceding the date of this Prospectus:

Sr. No.	Name of the Promoter	Name of the Company	Date of Cessation / Disassociation
1.	Mr. Dilipp Agarwal	Sai Iron (India) Private Limited <sup>(1)</sup>	December 05, 2017
2.	Mr. Deepak Agarwal	Sai Electrocasting Private Limited	August 14, 2017
		Sai Sponge (India) Private Limited	September 23, 2015
		Sai Iron (India) Private Limited	September 23, 2015

<sup>(1)</sup> This Company got amalgamated with Sai Sponge (India) Private Limited.

#### **Payment of Amounts or Benefits to the Promoters or Promoter Group during the last two years**

Except, as stated in “Annexure XXIX – Related Party Transactions” under the chapter titled “Financial Statements” beginning on page no. 145 of this Prospectus, there has been no payment of benefits to our Promoters during the two years preceding the date of the Prospectus.

#### **Interest of Promoters in the Promotion of our Company**

Our Company is currently promoted by our Promoters in order to carry on its present business. Our Promoters are interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company.

#### **Interest of Promoters in the Property of our Company**

Other than as mentioned in the chapters, Our Promoters have confirmed that they do not have any interest in any property acquired by our Company within two years preceding the date of this Prospectus or proposed to be acquired by our Company as on the date of this Prospectus. For further details, please see “Properties” and “Annexure XXIX- Related Party Transactions” under the chapter titled “Financial Statements” beginning on page nos. 101 and 165 respectively of this Prospectus.

Further, other than as mentioned in the chapter titled “Our Business”, our Promoters do not have any interest in any transactions in the acquisition of land, construction of any building or supply of any machinery.

#### **Interest of Promoters in our Company other than as Promoters**

Other than as Promoters, our Promoters are interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company. Our Promoters are also interested to the extent of the shareholding of their relatives in our Company, including the benefits accruing by such shareholding. For details please see “Our Management” and “Capital Structure” beginning on page nos. 118 and 55, respectively of this Prospectus.

Our promoters may be interested to the extent of unsecured loans granted to our Company or personal guarantees given in company’s favour. Further our Promoters are also interested to the extent of loans if any, granted by them or their relatives or granted by the Companies/ firms/ HUF in which they are interested as Directors/Members/Partners/Karta to our Company. For further details regarding interest, please see “Annexure XXII- Related Party Transactions” under the chapter titled “Financial Statements” beginning on page no. 145 of this Prospectus.

Except as mentioned in “Capital Structure”, “Our Business”, “History and Certain Corporate matters” and “Annexure XXIX –Related Party Transactions” under the chapter titled “Financial Statements” beginning on page nos. 55, 90, 114 and 165 respectively of this Prospectus, our Promoters do not have any interest in our Company other than as promoter.

#### **Related Party Transactions**

Except, as stated in the “Annexure XXII –Related Party Transactions” under the chapter titled “Financial Statements” beginning on page no. 145 of this Prospectus, our Company has not entered into related party transactions with our Promoters, Promoters Group or our Group Companies.

## Shareholding of the Promoter Group in our Company

For details of shareholding of members of our Promoter Group as on the date of this Prospectus, please see “*Capital Structure – Notes to Capital Structure*” beginning on page no. 165 of this Prospectus.

## Other Confirmations

Our Company has neither made any payments in cash or otherwise to our Promoters or to firms or companies in which our Promoters are interested as members, directors or promoters nor have our Promoters been offered any inducements to become directors or otherwise to become interested in any firm or company, in connection with the promotion or formation of our Company, otherwise than as stated in the “*Annexure XXII – Related Party Transactions*” the chapter titled “*Financial Statements*” beginning on page no. 145 of this Prospectus.

## Outstanding Litigations

There are no outstanding litigations against our Promoters, except as disclosed in the “*Risk Factors*” and “*Outstanding Litigation and Material Developments*” beginning on page nos. 14 and 178 respectively of this Prospectus.

## OUR PROMOTER GROUP

Apart from our Promoters, as per Regulation 2(1)(zb) of the SEBI (ICDR) Regulation, 2009, the following individuals and entities shall form part of our Promoter Group:

### A. Natural Persons who are Part of the Promoter Group

Name of the Promoter	Name of the Relative	Relationship with the Promoter
Mr. Dilipp Agarwal	Mr. Sitaram Agarwal	Father
	Mrs. Sabita Agarwal	Mother
	Mrs. Priti Agarwal	Wife
	Mr. Deepak Agarwal	Brother (s)
	Mrs. Nidhi Agarwal	Sister (s)
	Master Aryan Agarwal	Son (s)
	Late Om Prakash Khaitan	Wife's Father
	Mrs. Shobha Khaitan	Wife's Mother
	Mr. Piyush Khaitan	Wife's Brother (s)

Name of the Promoter	Name of the Relative	Relationship with the Promoter
Mr. Deepak Agarwal	Mr. Sitaram Agarwal	Father
	Mrs. Sabita Agarwal	Mother
	Mrs. Vibha Agarwal	Wife
	Mr. Dilipp Agarwal	Brother (s)
	Mrs. Nidhi Agarwal	Sister (s)
	Master Divyansh Agarwal	Son (s)
	Ms. Vedika Agarwal	Daughter (s)
	Mr. Gopi Nath Chhaparia	Wife's Father
	Mrs. Gayatri Devi Chhaparia	Wife's Mother
	Mr. Mahesh Chhaparia	Wife's Brother (s)
	Mrs. Abha Agarwal	Wife's Sister (s)

### B. Companies / Corporate Entities forming part of the Promoter Group

As per Regulation 2(1)(zb)(iv) of the SEBI (ICDR) Regulations, 2009, the following Companies / Trusts / Partnership firms / HUFs or Sole Proprietorships shall form part of our Promoter Group:

Sr. No.	Name of Promoter Group Entity/Company
1.	Super Smelters Limited

Sr. No.	Name of Promoter Group Entity/Company
2.	Sai Electrocasting Private Limited
3.	Rocky Datamatics Private Limited
4.	Skoda Trexim Private Limited
5.	Promotional Equity Services Private Limited
6.	Sri Vinayak Fincon Private Limited
7.	Supershakti Energy & Infrastructures Limited
8.	Supershakti Power & Infrastructures Limited
9.	Mukund Vintrade Private Limited
10.	Mukund Dealtrade Private Limited
11.	Mukund Tieup Private Limited
12.	Om Commotrade Private Limited
13.	PKA Merchants Private Limited
14.	Jaiguru Commodities Private Limited
15.	Resplendent Highrise Private Limited
16.	Subhrekha Agriant Private Limited
17.	Robust Highrise Private Limited
18.	DK Casting Private Limited
19.	Subham Suppliers Private Limited
20.	Serenade Realty Private Limited
21.	AKP Highrise Private Limited
22.	Excellence Broking & Finance Private Limited
23.	PKA Vyapaar Private Limited
24.	Bortex Tracom Private Limited
25.	Crawford Plantations Private Limited
26.	Aabha Sales Private Limited
27.	Avantika Tie-up Private Limited
28.	Sai Highrise Private Limited
29.	Sai Sponge (India) Private Limited
30.	Dilipp Agarwal (HUF)
31.	Deepak Agarwal (HUF)
32.	Sitaram Agarwal (HUF)
33.	Calgon Developers LLP
34.	Coffinfly Enclave LLP
35.	Cyanite Properties LLP
36.	Fireflies

## OUR GROUP COMPANIES

In accordance with the provisions of SEBI (ICDR) Regulations, for the purpose of identification of Group Companies, our Company has considered companies as covered under the applicable Accounting Standards, being Accounting Standard 18 issued by the Institute of Chartered Accountants of India (“AS 18”) as per the Restated Financial Statements and other companies as per the policy adopted by our Board. Our Board of Directors have considered a company as Group Company only if (i) such company disclosed as related parties in accordance with Accounting Standards (AS 18), issued by the Institute of Chartered Accountants of India, in the Restated Financial Statements of our Company in last five financial years and (ii) all Companies forming part of the Promoter Group, with whom our Company has entered into one or more transactions during any of the last three fiscals such that the transaction value with our Company in the aforementioned fiscals/period exceeds 1% of the total revenue of our Company in the respective audited fiscal/period.

Our Group Companies based on the above are:

- Super Smelters Limited
- Sai Electrocasting Private Limited

Further, our Board has approved that other than the Group Companies mentioned above; there are no companies which are considered material by the Board to be identified as a group company

### DETAILS OF OUR GROUP COMPANIES:

As per Schedule VIII (IX) (C) (2) of the SEBI (ICDR) Regulations 2009, the financial information of our group companies are given below

#### 1. Super Smelters Limited (‘SSL’)

<b>Incorporation</b>	SSL was incorporated on June 20, 1995 as ‘Super Smelters Limited’ under the Companies Act, 1956 by the Additional Registrar of Companies, West Bengal and the Company obtained Certificate for Commencement of Business on July 13, 1995 issued by Registrar of Companies, West Bengal
<b>Corporate Identity No.</b>	U27109WB1995PLC072223
<b>Registration Number</b>	072223
<b>Registered Office</b>	39, Shakespeare Sarani, 3 <sup>rd</sup> Floor, Kolkata, West Bengal – 700017
<b>Nature of Business</b>	SSL carry on business as manufacturer, processors, assemblers fitters, converters, engineers, fabricators, erectors, founders, smelters etc. of ferrous and non-ferrous metals and alloys, pig iron, and steel, etc. and to manufacturer of any other engineering products and other ferrous metals etc.
<b>Registrar of Companies</b>	Registrar of Companies, West Bengal

#### *Board of Directors*

- Mr. Sitaram Agarwal
- Mr. Dilipp Agarwal
- Mr. Deepak Agarwal
- Mr. Vijay Kumar Bhandari
- Mr. Nagendra Prasad Sinha
- Mr. Pranay Mishra
- Mrs. Varshaa Khetan
- Mr. Rajeev Kumar Jha

#### *Interest of our Promoters / Promoter Group*

Our Promoter Group hold 94.51% Equity Shares of this Company.



## Financial Performance

The brief financial details of SSL derived from its Standalone Audited Financial Statements, for the year ended March 31, 2017, 2016 and 2015 are set forth below:

(₹ in lakhs)

Particulars	As at March, 31		
	2017	2016	2015
Equity Share Capital (FV ₹ 10/-)	9,120.10	9,035.85	8,128.88
Reserves & Surplus	58,641.68	60,494.88	60,315.64
Net-worth	67,761.79	69,530.73	68,444.52
Income including other income	87,133.38	76,112.34	1,24,960.85
Profit/ (Loss) after tax	(2,825.92)	1087.00	1,987.64
Earnings per share (FV ₹ 10/-) (Basic/Diluted)	(3.14)	1.29	2.77
Net asset value per share	74.30	76.95	84.20

There are no significant notes of the auditors in relation to the aforementioned financial statements.

## Other disclosures:

- The equity shares of SSL are not listed on any stock exchange;
- SSL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is under winding up. SSL neither has a negative net-worth nor has made a loss in the immediately preceding year;
- No application has been made to RoC for striking off the name of SSL;
- SSL is not prohibited from accessing the capital markets for any reasons by the SEBI or any other authorities.

There are no defaults in meeting any statutory /bank/ institutional dues. No proceedings have been initiated for economic offences against the Company.

## 2. Sai Electrocasting Private Limited ('SEPL') (Formerly known as 'Devdrishti Commosales Private Limited')

<b>Incorporation</b>	SEPL was incorporated on December 12, 2012 as 'Devdrishti Commosales Private Limited' under the Companies Act, 1956 and subsequently name of the company was changed to 'Sai Electrocasting Private Limited' by Fresh certificate of Incorporation pursuant to the change of name issued by Registrar of Companies, Kolkata dated January 21, 2016
<b>Corporate Identity No.</b>	U28910WB2012PTC189119
<b>Registration Number</b>	189119
<b>Registered Office</b>	39, Shakespeare Sarani, Premlata Building, 3 <sup>rd</sup> Floor, Kolkata, West Bengal - 700017
<b>Nature of Business</b>	SEPL carry on the business of and to set up steel making plants, steel furnaces, foundries, continuous casting, chilled casting, etc. for manufacturing, processing, fabricating etc. all types of iron & steel products and to carry on the business as traders, sellers, buyers, exporters, importers, brokers, dealers, distributors etc. of all types of iron & steel products, all types of alloys, minerals & ores of all grades etc.
<b>Registrar of Companies</b>	Registrar of Companies, West Bengal

## Board of Directors

- Mr. Dilipp Agarwal
- Mr. Kavi Yagnik

## Interest of our Promoters / Promoter Group

Our Promoter and Promoter Group hold 94.51% Equity Shares of this Company.

### Financial Performance

The brief financial details of SEPL derived from its Audited Financial Statements for the year ended March 31, 2017, 2016 and 2015 are set forth below:

(₹ in lakhs)

Particulars	As at March, 31		
	2017	2016	2015
Equity Share Capital (FV ₹ 10/-)	424.46	424.46	1.00
Reserves (excluding revaluation reserve) and Surplus	3,130.11	3,090.74	(0.36)
Net-worth	3,554.57	3,515.20	0.64
Income including other income	15,886.54	15,450.98	0.00
Profit/ (Loss) after tax	39.37	14.89	(0.15)
Earnings per share (FV ₹ 10/-) (Basic/Diluted)	0.93	0.35	(1.50)
Net asset value per share	83.74	82.82	6.40

There are no significant notes of the auditors in relation to the aforementioned financial statements.

### Other disclosures:

- The equity shares of SEPL are not listed on any stock exchange;
- SEPL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is under winding up. SEPL neither has a negative net-worth nor has made a loss in the immediately preceding year.
- No application has been made to RoC for striking off the name of SEPL;
- SEPL is not prohibited from accessing the capital markets for any reasons by the SEBI or any other authorities.

There are no defaults in meeting any statutory /bank/institutional dues. No proceedings have been initiated for economic offences against the Company.

### NATURE AND EXTENT OF THE INTEREST OF THE GROUP COMPANIES IN OUR COMPANY

#### In the promotion of our Company

None of the Group Companies have any interest in the promotion of our Company.

#### In the properties acquired by our Company

None of the Group Companies have any interest in the properties acquired by our Company within the two years of the date of filing the Draft Prospectus or proposed to be acquired by our Company, except as disclosed in the chapter titled “Our Business” on page no. 90 of this Prospectus.

#### In transactions for acquisition of land, construction of building and supply of machinery

None of the Group Companies have any interest in our Company in relation to transactions for acquisition of land, construction of building and supply of machinery, except as disclosed in the chapter titled “Our Business” on page no. 90 of this Prospectus.

#### Payment of amount or benefits to our Group Companies during the last two years

Except as disclosed in the section “Financial Information – Annexure XXIX - Related Party Transactions” beginning on page no. 165 of this Prospectus, no amount or benefits were paid or were intended to be paid to our Group Companies since the incorporation of our Company except to the extent of their shareholding and the dividend payable, if any and other distributions in respect of the Equity Shares held by them.

### **Common Pursuits of Group Companies**

Our Group Companies have been authorized by its respective Memorandum of Associations to undertake activities which are similar to ours and are currently engaged in businesses similar to ours. Following are the Group Companies, whose main objects are similar to ours and this may result in potential conflicts of interest with our Company in the future –

- Super Smelters Limited
- Sai Electrocasting Private Limited

Our Company has not adopted any measures for mitigating such conflict situations.

### **Related business transactions within the Group Companies and its significance on the financial performance of our Company**

For Further details on the related party transaction, to the extent of which our Company is involved, please see “Annexure XXIX - Statement of Related Party Transaction” on page no. 165 of this Prospectus.

### **Sale/purchase between Group Companies (exceeding 10% in aggregate of the total sales or purchases of our Company)**

For details, please see the chapter titled “Financial Statements- Annexure XXIX - Related Party Transactions” on page no. 165 of this Prospectus.

### **Defunct Group Companies**

None of the Group Companies are defunct and no application has been made to the registrar of companies for striking off the name of any of the Group Companies during the five years preceding the date of the Prospectus.

### **Outstanding Litigations**

For details relating to the material legal proceedings involving our Group Companies, see the chapter titled “Outstanding Litigations and Material Developments” on page no. 178 of this Prospectus.

### **Other Confirmations**

Our Group Companies have further confirmed that they have not been declared as willful defaulters and there have been no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them except as stated under chapters “Risk Factors”, “Our Group Companies” and “Outstanding Litigations and Material Developments” on page nos. 14, 139 and 178 of this Prospectus respectively. Additionally, none of our Group Companies have been restrained from accessing the capital markets for any reasons by the SEBI or any other authorities except as stated under chapters “Risk Factors”, “Our Group Companies” and “Outstanding Litigations and Material Developments” on page nos. 14, 139 and 178 of this Prospectus respectively.

## **CURRENCY, UNITS OF REPRESENTATION AND EXCHANGE RATES**

All references to “Rupees”, “Rs.” or “₹” are to Indian Rupees, the official currency of the Republic of India. All references to “US\$” or “US Dollars” or “USD” are to United States Dollars, the official currency of the United States of America.

This Prospectus may contain conversions of certain US Dollar and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI Regulations. These conversions should not be construed as a representation that those US Dollar or other currency amounts could have been, or can be converted into Indian Rupees, at any particular rate.

## **DIVIDEND POLICY**

Under the Companies Act, 2013, our Company can pay dividends upon recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting. The shareholders of our Company have the right to decrease, not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends.

There are no dividends declared by our Company since incorporation.

Our Company does not have any formal dividend policy for the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

## SECTION VI – FINANCIAL INFORMATION

### FINANCIAL STATEMENTS

To,  
The Board of Directors,  
**Supershakti Metaliks Limited,**  
39, Shakespeare Sarani,  
3rd Floor, Kolkata – 700017,  
West Bengal

We have examined Restated Financial Statements and Other Financial Information of Supershakti Metaliks Limited (the 'Company') taking into consideration the terms of reference and terms of our engagement letter dated 4<sup>th</sup> May 2018, agreed upon with you in connection with the proposed IPO of Equity Shares in SME Platform of BSE Limited of the Company and the Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India.

The said Restated Financial Statements and other Financial Information have been prepared for the purposes of inclusion in the Draft Prospectus / Prospectus (collectively hereinafter referred to as "Offer Document") in connection with the proposed Initial Public Offer ("IPO") of the Company in accordance with the requirements of:

- i. Sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 and Section 28 of the Companies Act, 2013 read with applicable provisions within Rule 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended (hereinafter referred to as the "Act");
- ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the 'SEBI Regulations') and the related clarifications issued by the Securities and Exchange Board of India ('SEBI'); as amended to date;
- iii. We have examined the accompanied 'Restated Statement of Profit and Loss' (**Annexure – II**) for the years ended on 31st March 2018, 2017, 2016, 2015 and 2014 and the 'Restated Statement of Assets and Liabilities' (**Annexure – I**) and 'Restated Statement of Cash Flows' (**Annexure – III**) as on those dates, forming Part of the 'Financial Information' dealt with by this Report, detailed below. Both read together with the Significant Accounting Policies and Notes to Accounts (**Annexure – IV & V**) thereon, the preparation of the Restated Financial Information is the responsibility of the Management of the Company for the purpose set out in Paragraph 7 below. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the Rules and ICDR Regulations which are the responsibility of the Company's management. The information have been extracted from the financial statements for the years ended on 31st March 2018, 2017, 2016 audited by us and for the years ended 31st March 2015 and 2014 by Tekriwal and Associates, being the Statutory Auditors of the Company for the respective years, which have been approved by the Board of Directors at their meeting held on 10<sup>th</sup> May, 2018, 10<sup>th</sup> June 2017, 6<sup>th</sup> September 2016, 16<sup>th</sup> July 2015 and 1<sup>st</sup> July 2014 respectively. We did not carry out any validation tests or review procedures of financial statements for aforesaid financial year audited by previous auditors, upon which we have placed our reliance while reporting.
  1. In terms of Schedule VIII, Clause IX (9) of the SEBI (ICDR) Regulations, 2009 and other provisions relating to accounts of Supershakti Metaliks Limited, we, Singhi & Co, Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board of the ICAI.
  2. Based on our examination, we further report that:
    - a. The Restated Statement of Assets and Liabilities of the Company as at March 31, 2018, 2017, 2016, 2015 and 2014 examined by us, as set out in **Annexure I** to this examination report are



after making adjustments and regrouping as in our opinion were appropriate and more fully described in significant accounting policies in **Annexure IV** and the Notes to Accounts in **Annexure V**.

- b. The Restated Statement of Profit and Loss of the Company for the financial years ended on March 31, 2018, 2017, 2016, 2015 and 2014 examined by us, as set out in **Annexure II** to this examination report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in significant accounting policies in **Annexure IV** and in Notes to Accounts in **Annexure V**.
- c. The Restated Statement of Cash Flows of the Company for the financial years ended March 31, 2018, 2017, 2016, 2015 and 2014 examined by us, as set out in **Annexure III** to this examination report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in significant accounting policies in **Annexure IV** and the Notes to Accounts in **Annexure V**.
- d. The Restated Financial Statements have been made after incorporating adjustments for :
  - i. The changes, if any, in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all the reporting period /years.
  - ii. Prior period and other material amounts in the respective financial years to which they relate.

Which are stated in the Notes to Accounts as set out in **Annexure V**:

- e. Such Financial statements do not require any corrective adjustments on account of :
  - i. Other remarks/comments in the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub - section (11) of section 143 of the Act, on financial statements of the company for the financial years ended March 31, 2018, 2017 and 2016. The said reporting was not applicable for the financial years ended March 31, 2015 and 2014.
  - ii. Extra-ordinary items that need to be disclosed separately in the accounts requiring adjustments.
- 3. We have also examined the following financial information("Other Financial Information") proposed to be included in the offer document prepared by the management and approved by the board of directors of the company and annexed to this report:
  - i) Restated Statement of Share Capital (Annexure - VI)
  - ii) Restated Statement of Reserves & Surplus (Annexure - VII)
  - iii) Restated Statement of Long Term Borrowings (Annexure - VIII)
  - iv) Restated Statement of Long Term Provision (Annexure- IX)
  - v) Restated Statement of Deferred Tax Liabilities (Annexure X)
  - vi) Restated Statement of Short Term Borrowings (Annexure- XI)
  - vii) Restated Statement of Trade Payable (Annexure- XII)
  - viii) Restated Statement of Other Current Liabilities (Annexure- XIII)
  - ix) Restated Statement of Short Term Provisions (Annexure- XIV)
  - x) Restated Statement of Fixed Assets (Annexure- XV)
  - xi) Restated Statement of Long term Loans and Advances (Annexure – XVI)
  - xii) Restated Statement of Other Non Current Assets (Annexure – XVII)
  - xiii) Restated Statement of Inventories (Annexure – XVIII)
  - xiv) Restated Statement of Trade Receivables (Annexure - XIX)
  - xv) Restated Statement of Cash and Cash Equivalents (Annexure - XX)
  - xvi) Restated Statement of Short Term Loans and Advances (Annexure - XXI)
  - xvii) Restated Statement of Other Current Assets (Annexure - XXII)

- xviii) Restated Statement of Revenue from Operations (Annexure – XXIII)
- xix) Restated Statement of Other Income (Annexure – XXIV)
- xx) Restated Statement of Contingent Liabilities (Annexure – XXV)
- xxi) Restated Statement of Capitalization (Annexure – XXVI)
- xxii) Statement of Accounting Ratios (Annexure – XXVII)
- xxiii) Statement of Dividend Declared (Annexure – XXVIII)
- xxiv) Statement of Related Party Transactions (Annexure – XXIX)
- xxv) Statement of Scheme of Arrangement (Annexure- XXX)
- xxvi) Restated Statement of Tax Shelter (Annexure XXXI)

4. In our opinion, the Restated Financial Statements and the other Financial Information set forth in **Annexure I to XXXI** read with the significant accounting policies and notes to the restated financial statements have been prepared in accordance with section 26 read with applicable provisions within Rule 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 of Companies Act, 2013 and the SEBI Regulations and the Guidance Note on the reports in Company Prospectus (Revised 2016) issued by the Institute of Chartered Accountants of India (ICAI).

Consequently the financial information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As a result of these regrouping and adjustments, the amount reported in the financial information may not necessarily be the same as those appearing in the respective audited financial statements for the relevant years.

5. This report should not in any way construed as a reissuance or redrafting of any of the previous audit report issued by us nor should this report be construed as new opinion on any of the financial statement referred to therein.
6. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
7. This report is intended solely for your information and for inclusion in the Offer document in connection with the Company's proposed IPO-SME of equity shares which is to be filed with SEBI, BSE and is not to be used, referred to or distributed for any other purpose without our prior written consent.

**For Singhi & Co**  
**Chartered Accountants**  
(Firm Registration No. 302049E)

**Sankar Bandyopadhyay**  
**Partner**  
Membership No: 008230

*Place: Kolkata*  
*Date: June 18, 2018*

**Annexure I**  
**RESTATED STATEMENT OF ASSETS AND LIABILITIES**

(₹ in lakhs)

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
<b>EQUITY AND LIABILITIES</b>					
<b>1.Shareholder's fund</b>					
a) Equity Share Capital	496.24	496.24	496.24	1.00	1.00
b)Reserves and surplus	4,963.75	3,725.67	3,667.83	(0.35)	(0.23)
c) Share Application Money Pending Allotment					
<b>Total Shareholders Fund (Net of revaluation reserve) (1)</b>	<b>5,459.99</b>	<b>4,221.91</b>	<b>4,164.07</b>	<b>0.65</b>	<b>0.77</b>
<b>2.Non-current liabilities</b>					
a) Long Term Borrowings	20.92	8.74	17.72	-	-
b) Deferred Tax Liabilities	359.67	-	-	-	-
c) Long Term Provisions	87.15	68.52	54.87	-	-
<b>Total(2)</b>	<b>467.74</b>	<b>77.26</b>	<b>72.59</b>	<b>-</b>	<b>-</b>
<b>3.Current liabilities</b>					
a) Short-term borrowings	2,208.68	5,279.73	4,307.41	-	-
b) Trade payables	2,878.92	5,866.98	3,085.35	-	-
c) Other Current Liabilities	887.42	1,253.98	4,029.74	0.03	0.03
d) Short-term provisions	-	-	6.09	-	-
<b>Total(3)</b>	<b>5,975.02</b>	<b>12,400.69</b>	<b>11,428.59</b>	<b>0.03</b>	<b>0.03</b>
<b>TOTAL(1+2+3)</b>	<b>11,902.75</b>	<b>16,699.84</b>	<b>15,665.25</b>	<b>0.68</b>	<b>0.80</b>
<b>ASSETS</b>					
<b>1.Non - Current Assets</b>					
a) Fixed Assets					
i.) Tangible assets	3858.03	3,718.36	3,970.48	-	-
ii) Intangible assets	-	-	-	-	-
b) Capital Work in Progress	214.62	727.40	251.82	-	-
c)Deferred tax assets (Net)	-	179.92	185.42	-	-
d) Long Term Loans & Advances	744.77	514.46	275.22	-	-
e) Other Non Current Assets	14.72	24.61	46.78	-	-
<b>Total (1)</b>	<b>4,832.14</b>	<b>5,164.76</b>	<b>4,729.72</b>	<b>-</b>	<b>-</b>
<b>2.Current Assets</b>					
a) Inventories	2,649.64	2,991.76	4,872.83	-	-
b) Trade Receivables	2,605.42	5,208.51	4,507.69	-	-
c) Cash and Cash equivalents	1,276.24	434.86	235.04	0.68	0.80
d) Short-term loans and advances	481.58	1,135.01	1,301.10	-	-
e) Other current assets	57.72	1,764.94	18.86	-	-
<b>Total(2)</b>	<b>7,070.61</b>	<b>11,535.08</b>	<b>10,935.53</b>	<b>0.68</b>	<b>0.80</b>
<b>TOTAL(1+2)</b>	<b>11,902.75</b>	<b>16,699.84</b>	<b>15,665.25</b>	<b>0.68</b>	<b>0.80</b>

**Annexure II**  
**RESTATED STATEMENT OF PROFIT AND LOSS ACCOUNT**

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2018	2017	2016	2015	2014
<b>INCOME:</b>					
Revenue from Operations(Net)	35,615.93	26,728.47	21,782.08	-	-
Other Income	392.80	3373.94	2784.79	-	-
<b>Total income</b>	<b>36,008.73</b>	<b>30,102.41</b>	<b>24,566.87</b>	<b>-</b>	<b>-</b>
<b>EXPENSES:</b>					
Cost Of Material Consumed	22,491.11	18,029.26	14,390.36	-	-
Purchase of stock in Trade	16.50	-	-	-	-
Changes in Inventory	323.89	898.15	293.29	-	-
Employee Benefit Expenses	448.55	254.42	259.38	-	-
Finance Cost	368.98	454.66	688.46	-	-
Depreciation & Amortization cost	422.43	277.88	250.47	-	-
Other Expenses	10,047.04	10,112.25	8,584.88	0.12	0.12
<b>Total expenses</b>	<b>34,118.50</b>	<b>30,026.62</b>	<b>24,466.84</b>	<b>0.12</b>	<b>0.12</b>
<b>Exceptional and prior period items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Profit / (Loss) before Tax</b>	<b>1,890.23</b>	<b>75.79</b>	<b>100.03</b>	<b>(0.12)</b>	<b>(0.12)</b>
<b>Less: Tax expense</b>					
(a) Current Tax	418.24	29.47	-	-	-
(b) Deferred Tax	539.59	5.49	28.18	-	-
(c) MAT Credit entitlement	(305.68)	(17.01)	-	-	-
<b>Total</b>	<b>652.15</b>	<b>17.95</b>	<b>28.18</b>	<b>-</b>	<b>-</b>
<b>Net Profit / ( Loss ) for the period after tax but before extra ordinary items</b>	<b>1,238.08</b>	<b>57.84</b>	<b>71.85</b>	<b>(0.12)</b>	<b>(0.12)</b>
Extraordinary Items	-	-	-	-	-
<b>Net Profit / ( Loss ) for the period after tax and after extra ordinary items available for appropriation</b>	<b>1,238.08</b>	<b>57.84</b>	<b>71.85</b>	<b>(0.12)</b>	<b>(0.12)</b>
<b>Less : Proposed Dividend</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Dividend Distribution Tax	-	-	-	-	-
<b>Net Profit transferred to Reserves</b>	<b>1,238.08</b>	<b>57.84</b>	<b>71.85</b>	<b>(0.12)</b>	<b>(0.12)</b>

**Annexure III**  
**RESTATED STATEMENT OF CASH FLOW**

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2018	2017	2016	2015	2014
<b>Cash Flow From Operating Activities</b>					
<b>Net Profit Before Tax</b>	<b>1,890.23</b>	<b>75.79</b>	<b>100.03</b>	<b>(0.12)</b>	<b>(0.12)</b>
Adjustments for :					
Depreciation/Amortisation	422.43	277.88	250.47	-	-
Interest Received	(17.13)	(14.61)	(18.31)	-	-
Provision for Doubtful Debts	69.31	68.70	8.27	-	-
Bad Debts	91.15	387.28	-	-	-
Unrealized Foreign Exchange (Gain)/ Loss	-	-	5.45	-	-
Excess Liabilities Written Off	(103.24)	-	(141.68)	-	-
Interest Paid	368.98	454.66	688.46	-	-
Profit on transfer of property rights	-	(435.00)	-	-	-
Loss on sale of assets	40.05	0.03	-	-	-
<b>Operating Profit Before Working Capital Adjustments</b>	<b>2,761.78</b>	<b>814.73</b>	<b>892.69</b>	<b>(0.12)</b>	<b>(0.12)</b>
<b>Adjustment for Changes in Working Capital</b>					
Trade and other payable	(2,884.79)	2,781.62	(2,693.66)	-	-
Inventories	342.12	1,881.07	(169.15)	-	-
Trade and other Receivables	2,442.63	(1,156.81)	2,074.92	-	-
Short Term Loans and Advances	648.24	150.20	(946.20)	-	-
Other Current Assets	1,712.58	(1,730.02)	(13.70)	-	-
Short Term Provisions	-	(6.09)	(41.28)	-	-
Other Current Liabilities	(366.56)	(2,775.77)	3,162.40	-	-
Long term provision	18.63	13.65	54.87	-	-
<b>Cash Flow Generated from Operations</b>	<b>4,674.63</b>	<b>(27.42)</b>	<b>2,320.89</b>	<b>(0.12)</b>	<b>(0.12)</b>
Income Tax and Fringe Benefit Tax Paid	(343.01)	(251.64)	-	-	-
<b>Net Cash flow from Operating activities (A)</b>	<b>4,331.62</b>	<b>(279.06)</b>	<b>2,320.89</b>	<b>(0.12)</b>	<b>(0.12)</b>
<b>Cash Flow From Investing Activities</b>					
(Purchase)/Sale of Fixed Assets	(602.16)	(25.79)	(953.95)	-	-
Other Non-Current Assets	9.88	22.18	(46.78)	-	-
Proceeds from transfer of property rights	-	435.00	-	-	-
Long term loans & advances	-	(0.24)	(267.94)	-	-
Capital Work In progress	512.77	(475.58)	282.16	-	-
Fixed Deposit with Bank	55.21	(390.45)	-	-	-
Interest Received	17.13	14.61	18.31	-	-
<b>Net Cash Flow from Investing Activities (B)</b>	<b>(7.17)</b>	<b>(420.27)</b>	<b>(968.20)</b>	<b>-</b>	<b>-</b>
<b>Cash Flow From Financing Activities</b>					
Proceeds from/ ( Repayment of ) long term Borrowing	12.18	(8.98)	8.35	-	-
Short term borrowings from banks	(3,071.05)	972.33	(971.00)	-	-
Interest Paid	(368.98)	(454.66)	(688.46)	-	-
<b>Net Cash Flow from Financing Activities (C)</b>	<b>(3,427.85)</b>	<b>508.69</b>	<b>(1,651.11)</b>	<b>-</b>	<b>-</b>
<b>Net Increase/ ( Decrease) in Cash and Cash Equivalents ( A + B + C )</b>	<b>896.60</b>	<b>(190.64)</b>	<b>(298.42)</b>	<b>(0.12)</b>	<b>(0.12)</b>

Particulars	For the year ended March 31,				
	2018	2017	2016	2015	2014
Cash & Cash Equivalent as a result of Scheme of Arrangement.	-	-	532.78	-	-
Cash & Cash equivalent at the beginning of the year	44.40	235.04	0.68	0.80	0.92
<b>Cash &amp; Cash Equivalent at the end of the year</b>	<b>941.00</b>	<b>44.40</b>	<b>235.04</b>	<b>0.68</b>	<b>0.80</b>

Note: Cash & Equivalents consist of cash, balances with banks in current accounts and fixed deposits with less than 3 months maturities as per Annexure XX.

## ANNEXURE IV

### SIGNIFICANT ACCOUNTING POLICIES:

#### A. Corporate Information

Supershakti Metaliks Limited was incorporated on December 12, 2012 as 'Quentz Dealtrade Private Limited' under the provisions of Companies Act, 1956 with the Registrar of Companies, Kolkata. Further the name of the Company was changed to Supershakti Metaliks Private Limited vide special resolution passed at the Extra Ordinary General Meeting held on October 22, 2014. Further, the Company converted into public limited company with effect from May 03, 2018.

#### B. Summary of Significant Accounting Policies

##### (a) Basis for preparation of financial statement

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013 for the Financial Years Ending 2014-15, 2015-16, 2016-17, 2017-18, read together with paragraph 7 of the Companies (Accounts) Rules 2014, and as per Companies Act, 1956 for the Financial Year Ended 2013-14. The financial statements have been prepared on an accrual basis and under the historical cost convention.

##### (b) Use of Estimates

The preparation of financial statements requires 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. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

##### (c) Property, Plant & Equipment

- i) Tangible Fixed Assets are stated at cost of acquisition or construction (net of excise duty, VAT and GST) less accumulated depreciation and impairment losses. The cost of assets comprises of its purchase price and any directly attributable cost of bringing the assets to their location and working condition upto the date of its intended use.
- ii) Intangible assets are stated at cost less accumulated amortization. Cost includes directly attributable expenditure for making the assets for its intended use.
- iii) Capital Work-in-progress is stated at cost which includes expenses incurred during construction period, interest on amount borrowed for acquisition / construction of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production.

**(d) Component Accounting**

The company has adopted component accounting as required under Schedule II to the Companies Act, 2013, from 1 April 2015. The company was previously not identifying components of fixed assets separately for depreciation purposes; rather, a single useful life/ depreciation rate was used to depreciate each item of property, plant and equipment.

Due to application of Schedule II to the Companies Act, 2013, the company has changed the manner of depreciation for its fixed assets. Now, the company identifies and determines cost of each component/ part of the asset separately, if the component/ part have a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset. These components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

**(e) Depreciation and Amortization**

Depreciation on Tangible Fixed Assets is provided on prorata basis for the period of use, on straight-line method at the rates determined based on useful lives of respective assets as prescribed in the Schedule II of the Companies Act, 2013. Certain plant & machinery have been considered Continuous process plant on the basis of technical assessment. Leasehold land is amortized on straight line method over the period of the lease.

**(f) Impairment**

The carrying amounts of Tangible Fixed Assets are reviewed at each balance sheet date to determine, if there is any indication of impairment based on external/internal factors. An impairment loss is recognized wherever the carrying amount of Tangible Fixed Assets exceeds its recoverable amount which represents greater of the “net selling price” and “value in use” of the respective assets. The impairment loss recognized in prior accounting period is reversed if there has been an improvement in recoverable amount.

**(g) Leases**

Lease payments under an operating lease are recognized as expense in the Statement of Profit and Loss as per terms of lease agreement.

Leases which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item are classified and accounted for as finance lease. Lease rental receipts are apportioned between the finance income and capital repayment based on the implicit rate of return. Contingent rents are recognized as revenue in the period in which they are earned.

**(h) Investments**

- i) Investments which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. The portion of long term investments expected to be realized within twelve months after the reporting date are disclosed under current investments.
- ii) On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees & duties.
- iii) Long-Term Investments are stated at cost. Provision for diminution is made if the decline in value, in the opinion of the management, is other than temporary in nature.

**(i) Inventories**

Inventories of stores and spare parts are valued at or below cost after providing for cost of obsolescence and other anticipated losses wherever considered necessary.

Inventories of items other than those stated above are valued at cost or net realizable value whichever is lower. Cost in respect of:



- i) Raw Materials, Consumables, Stores & Spares are computed under weighted average basis;
- ii) Work-in-Progress and Finished Goods are computed under weighted average basis.
- iii) By- Products are valued at net realizable value.

Net Realizable Value is the estimated selling price in the ordinary course less the estimated cost of completion and the estimated costs necessary to make the sale. Materials and other supplies held for use in the production of inventories are not written down below cost if the finished productions in which they will be incorporated are expected to be sold at or above cost.

#### **(j) Employees Benefit**

Retirement benefit in the form of provident fund and superannuation fund are defined contribution schemes. The contributions to the provident fund and superannuation fund are charged to the statement of profit and loss for the year when an employee renders the related service. The company has no obligation, other than the contribution payable to the Provident Fund and superannuation fund.

The company operates a defined benefit plan in the form of gratuity for its employees. The cost of providing benefits under the plan is determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out using the projected unit credit method.

Actuarial gains and losses for the defined benefit plan are recognized in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

#### **(k) Revenue Recognition**

Revenue is recognized to the extent it is probable that the economic benefits will flow to the company and that the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

##### **Sale of Goods:**

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer. The company collects sales taxes and value added taxes (VAT) and GST on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the years.

#### **(l) Borrowing Cost**

Borrowing cost directly attributable to the acquisition or construction of qualifying assets is capitalized until the time all substantial activities necessary to prepare the qualifying assets for their use are complete. A qualifying asset is the one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are recognized as expenses in the period in which they are incurred.

#### **(m) Taxation**

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

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

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

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i. e. the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of MAT under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

**(n) Foreign currency transactions and Derivatives**

**(i) Initial recognition**

Foreign Currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**(ii) Conversion**

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date.

**(iii) Exchange differences**

The company accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as below:

a) Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset.

b) All other exchange differences are recognized as income or as expenses in the period in which they arise.

(iv) Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/ liability. The premium or discount arising at the inception of forward exchange contract is amortized and recognized as an expense/ income over the life of the contract. Exchange differences on such contracts, are recognized in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or as expense for the period. None of the foreign exchange contracts are taken for trading or speculation purpose.

**(o) Government Grants**

Government grants are recognized when there is a reasonable assurance that the same will be received. Capital Grants relating to specific fixed assets are reduced from the gross value of the respective fixed assets. Other capital grants are credited to Capital Reserve. Revenue grants are recognized in the Statement of Profit & Loss.

**(p) Contingent Liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

**(q) Provisions**

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. The expense relating to any provision is presented in the statement of profit and loss, net of any reimbursement.

**(r) Earning Per Share**

Basic Earning Per Share (EPS) is computed by dividing the net profit or loss for the year attributable to Equity Shareholders by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year attributable to Equity Shareholders by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the result are anti-dilutive.

**(s) Cash Flow Statement**

Cash Flow Statement presents the Cash Flows by operating, investing and financing activities of the Company. Cash and Cash equivalents presented in the Cash Flow Statement consist of cash on hand, cash at bank, and short - term investments with an original maturity of twelve months or less.

**ANNEXURE V**

**NOTES TO ACCOUNTS**

**1) ADJUSTMENTS MADE IN RESTATED FINANCIAL STATEMENTS / REGROUPING NOTES**

Appropriate adjustments have been made in the restated summary statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financial statements of the Company, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended).

**2) Material Regrouping:**

Appropriate adjustments have been made in the respective years of Restated Summary Statement of Assets and Liabilities, Restated Summary Statement of Profits and Losses and Restated Summary Statement of Cash Flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the regroupings as per the Audited financials of the Company for the year ended March 31, 2018, prepared in accordance with Schedule III, and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended).

**3) Application of Revised Schedule VI:**

During the year ended 31 March 2012, the Revised Schedule VI notified under the Companies Act, 1956, had become applicable to the Company, for preparation and presentation of its financial statements. Further Schedule III of the Companies Act, 2013, was notified by Ministry of Corporate Affairs effective April 01, 2014. Accordingly, the Company had prepared the financial statements in accordance with Revised Schedule VI / Schedule III (as applicable) of the Act. The adoption of Revised Schedule VI / Schedule III (as applicable) of the Act did not impact recognition and measurement principles followed for preparation of financial statements.

4) In the financial year 2015-16, there was an emphasis of matter in the audit report for deferred tax assets wherein the attention had been drawn to carry forward of DTA of ₹ 1,85,42,308/- based on future taxable income projected by the management.

In the financial year 2016-17, there was an emphasis of matter in the audit report for deferred tax assets wherein the attention had been drawn to carry forward of DTA of ₹ 1,79,92,648/- based on future taxable income projected by the management.

#### 5) Dividend Payment:

The Company has not paid any dividend in the last five years.

#### 6) Segment Reporting:

The Company operates mainly in one business segment viz, Iron & Steel Products being primary segment and all other activities revolve around the main activity.

#### 7) Managerial Remuneration:

(₹ in Lakhs)

Particulars	For the year ended March 31,				
	2018	2017	2016	2015	2014
Remuneration	8.40	4.10	-	-	-
Other Fees	-	-	-	-	-
Sitting Fees	-	-	-	-	-
Non Whole Time Directors Remuneration	-	-	-	-	-
<b>Total</b>	<b>8.40</b>	<b>4.10</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### 8) Remuneration to Statutory Auditors:

(₹ in Lakhs)

Particulars	For the year ended March 31,				
	2018	2017	2016	2015	2014
Statutory Audit Fees	2.50	2.50	2.50	0.03	0.03
Tax Audit Fees	0.50	0.50	0.50	-	-
Other Certification	0.39	-	-	-	0.01
<b>Total</b>	<b>3.39</b>	<b>3.00</b>	<b>3.00</b>	<b>0.03</b>	<b>0.04</b>

#### 9) Information Regarding Foreign Exchange Earnings:

(₹ in Lakhs)

Particulars	For the year ended March 31,				
	2018	2017	2016	2015	2014
Earning in Foreign Exchange	690.75	278.55	-	-	-
Expenditure in Foreign Exchange	2,075.83	291.14	2,111.55	-	-
Foreign Currency Exposure	2,002.48	212.44	1,408.58	-	-

#### 10) Deferred Tax

(₹ in Lakhs)

Particulars	For the year ended March 31,				
	2018	2017	2016	2015	2014
<b>Deferred tax liabilities/(assets) arising on account of timing difference in:</b>					
Adjustment pursuant to the scheme of arrangement	-	-	(213.60)	-	-
Opening Balance	(179.92)	(185.42)	-	-	-
Depreciation	(11.72)	37.95	39.47	-	-
Others	551.31	(32.45)	(11.29)	-	-
<b>Closing Balance</b>	<b>359.67</b>	<b>(179.92)</b>	<b>(185.42)</b>	<b>-</b>	<b>-</b>

**Annexure VI**  
**RESTATED STATEMENT OF SHARE CAPITAL**

(₹ in lakhs)

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
<b>Authorised Share Capital :</b>					
10,000 Equity Shares of Rs.10/- each	-	-	-	1.00	1.00
50,00,000 Equity Shares of Rs. 10/- each	-	500.00	500.00	-	-
60,00,000 Equity Shares of Rs. 10/- each	600.00	-	-	-	-
<b>Total</b>	<b>600.00</b>	<b>500.00</b>	<b>500.00</b>	<b>1.00</b>	<b>1.00</b>
<b>Issued Subscribed and Paid Up Capital :</b>					
10,000 Equity Shares of Rs.10/- each	-	-	-	1.00	1.00
49,62,439 Equity Shares of Rs.10/- each	496.24	496.24	496.24	-	-
<b>Total</b>	<b>496.24</b>	<b>496.24</b>	<b>496.24</b>	<b>1.00</b>	<b>1.00</b>

**Reconciliation of number of shares outstanding:**

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
<b>Equity Shares</b>					
At the beginning of the period	49,62,439	49,62,439	10,000	10,000	10,000
Addition during the period	-	-	49,62,439	-	-
Cancelled pursuant to scheme of arrangement	-	-	(10,000)	-	-
<b>Outstanding at the end of the period</b>	<b>49,62,439</b>	<b>49,62,439</b>	<b>49,62,439</b>	<b>10,000</b>	<b>10,000</b>

**Annexure VII**  
**RESTATED STATEMENT OF RESERVES AND SURPLUS**

(₹ in lakhs)

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
<b>Security Premium</b>					
Opening Balance	2884.49	2884.49	-	-	-
<b>Add:</b> Adjustment pursuant to the scheme of arrangement	-	-	2,883.49	-	-
<b>Add/Less:</b> Cancellation of shares pursuant to scheme of arrangement	-	-	1.00	-	-
<b>Balance as at the end of the year (a)</b>	<b>2,884.49</b>	<b>2,884.49</b>	<b>2,884.49</b>	<b>-</b>	<b>-</b>
<b>Surplus</b>					
Balance as at the beginning of the year	815.76	757.92	(0.35)	(0.23)	(0.12)
<b>Add:</b> Profit / (Loss) for the year transferred to reserves	1,238.08	57.84	71.85	(0.12)	(0.11)
<b>Add:</b> Adjustment pursuant to the scheme of arrangement	-	-	686.42	-	-
<b>Balance as at the end of the year (b)</b>	<b>2,053.84</b>	<b>815.76</b>	<b>757.92</b>	<b>(0.35)</b>	<b>(0.23)</b>
<b>General Reserve</b>					
Opening Balance	25.41	25.41	-	-	-
<b>Add:</b> Adjustment pursuant to the scheme of arrangement	-	-	25.41	-	-
<b>Balance as at the end of the year (c)</b>	<b>25.41</b>	<b>25.41</b>	<b>25.41</b>	<b>-</b>	<b>-</b>
<b>Total (a+b+c)</b>	<b>4,963.75</b>	<b>3,725.67</b>	<b>3,667.83</b>	<b>(0.35)</b>	<b>(0.23)</b>

**Annexure VIII**  
**RESTATED STATEMENT OF LONG TERM BORROWINGS**

(₹ in lakhs)

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
A. SECURED LOANS					
From Banks					
Vehicle Loan	20.92	8.74	17.72	-	-
From Others	-	-	-	-	-
<b>Total (A)</b>	<b>20.92</b>	<b>8.74</b>	<b>17.72</b>	<b>-</b>	<b>-</b>
B. UNSECURED LOANS					
From Promoter/Group Companies/ Related Parties	-	-	-	-	-
From Financial Institution	-	-	-	-	-
<b>Total (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total (A+B)</b>	<b>20.92</b>	<b>8.74</b>	<b>17.72</b>	<b>-</b>	<b>-</b>

\* For details of loans please refer 'Financial Indebtedness as given in Schedule 1 forming part of Restated Financials.

**Annexure IX**  
**RESTATED STATEMENT OF LONG TERM PROVISIONS**

(₹ in lakhs)

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
Gratuity	87.15	68.52	54.87	-	-
<b>Total</b>	<b>87.15</b>	<b>68.52</b>	<b>54.87</b>	<b>-</b>	<b>-</b>

**Annexure X**  
**RESTATED STATEMENT OF DEFERRED TAX LIABILITIES (NET)**

(₹ in lakhs)

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
Opening balance	(179.92)	(185.42)	(213.60)	-	-
Provision for the year	539.59	5.50	28.18	-	-
<b>Total</b>	<b>359.67</b>	<b>(179.92)</b>	<b>(185.42)</b>	<b>-</b>	<b>-</b>

**Annexure XI**  
**RESTATED STATEMENT OF SHORT TERM BORROWINGS**

(₹ in lakhs)

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
SECURED BORROWINGS					
Working capital borrowings	216.70	5,067.29	3,562.15	-	-
Buyers Credit in Foreign currency	1,991.98	212.44	745.26	-	-
<b>Total</b>	<b>2,208.68</b>	<b>5,279.73</b>	<b>4,307.41</b>	<b>-</b>	<b>-</b>

The above amounts in Annexure VIII and XI include:

(₹ in lakhs)

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
Secured Borrowing (including current maturities)	2,241.57	5,297.45	4,342.64	-	-
Unsecured Borrowing	-	-	-	-	-
<b>Total</b>	<b>2,241.57</b>	<b>5,297.45</b>	<b>4,342.64</b>	<b>-</b>	<b>-</b>

Note: For details of the Terms of Sanction, Maturity and other details of outstanding loans please refer Schedule I - "Financial Indebtedness" attached along with this Restated Financials.

#### Annexure XII

##### RESTATED STATEMENT OF TRADE PAYABLE

(₹ in lakhs)

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
Trade payables					
- Micro & small enterprises	6.10	6.58	4.07	-	-
- Others	2,872.82	5,860.40	3,081.28	-	-
<b>Total</b>	<b>2,878.92</b>	<b>5,866.98</b>	<b>3,085.35</b>	<b>-</b>	<b>-</b>

#### Annexure XIII

##### RESTATED STATEMENT OF OTHER CURRENT LIABILITIES

(₹ in lakhs)

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
Current maturities of long term borrowings	11.97	8.98	17.51	-	-
Interest accrued but not due	10.72	1.10	0.28	-	-
Advance from customers	502.07	771.91	439.63	-	-
Amount payable for capital goods	26.57	68.82	32.00	-	-
Bills discounted	-	66.37	745.31	-	-
Employee related liabilities	98.96	39.00	33.16	-	-
Statutory dues payable	210.72	257.60	327.24	-	-
Forward contract payable account (net)	0.64	-	28.77	-	-
Other payables	25.77	40.20	2,405.84	0.03	0.03
<b>Total</b>	<b>887.42</b>	<b>1,253.98</b>	<b>4,029.74</b>	<b>0.03</b>	<b>0.03</b>

#### Annexure XIV

##### RESTATED STATEMENT OF SHORT TERM PROVISIONS

(₹ in lakhs)

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
Provision for leave benefits	-	-	6.09	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>6.09</b>	<b>-</b>	<b>-</b>

#### Annexure XV

##### RESTATED STATEMENT OF FIXED ASSETS

(₹ in lakhs)

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
<b>Leasehold Land &amp; Site Development</b>					
Opening Balance	167.09	167.09	-	-	-
Addition pursuant to scheme of arrangement	-	-	167.09	-	-
Depreciation during the year	(3.71)	(0.94)	(0.94)	-	-
Reduction during the year	-	-	-	-	-
Accumulated Depreciation as per scheme of arrangement	-	-	(16.53)		
Opening Accumulated Depreciation	(18.40)	(17.46)	-	-	-
<b>Closing Balance</b>	<b>144.98</b>	<b>148.69</b>	<b>149.63</b>	<b>-</b>	<b>-</b>
<b>Factory Building &amp; Shed</b>					
Opening Balance	921.62	921.62	-	-	-
Addition pursuant to scheme of arrangement	-	-	921.62	-	-
Addition during the year	-	-	-	-	-



Particulars	As at March 31,				
	2018	2017	2016	2015	2014
Depreciation during the year	(25.37)	(25.36)	(25.36)	-	-
Reduction during the year	-	-	-	-	-
Accumulated Depreciation as per scheme of arrangement	-	-	(383.68)		
Opening Accumulated Depreciation	(434.40)	(409.04)	-	-	-
<b>Closing Balance</b>	<b>461.85</b>	<b>487.22</b>	<b>512.58</b>	-	-
<b>Plant &amp; Machinery</b>					
Opening Balance	8,607.53	8,584.50	-	-	-
Addition pursuant to scheme of arrangement	-	-	7652.68	-	-
Addition during the year	517.22	23.03	941.95	-	-
Depreciation during the year	(383.82)	(243.34)	(214.03)	-	-
Reduction during the year	(2.46)	-	(10.13)	-	-
Accumulated Depreciation as per scheme of arrangement	-	-	(5,105.07)		
Depreciation on sale of assets	2.46	-	-		
Opening Accumulated Depreciation	(5,562.44)	(5,319.10)	-	-	-
<b>Closing Balance</b>	<b>3,178.49</b>	<b>3,045.09</b>	<b>3,265.40</b>	-	-
<b>Furniture &amp; Fixtures</b>					
Opening Balance	7.31	7.31	-	-	-
Addition pursuant to scheme of arrangement	-	-	7.31	-	-
Depreciation during the year	(0.42)	(0.69)	(0.69)	-	-
Reduction during the year	-	-	-	-	-
Accumulated Depreciation as per scheme of arrangement	-	-	(4.99)		
Opening Accumulated Depreciation	(6.36)	(5.68)	-	-	-
<b>Closing Balance</b>	<b>0.53</b>	<b>0.95</b>	<b>1.63</b>	-	-
<b>Motor Vehicle</b>					
Opening Balance	55.71	55.44	-	-	-
Addition pursuant to scheme of arrangement	-	-	42.97	-	-
Addition during the year	42.38	3.06	17.35	-	-
Depreciation during the year	(5.50)	(3.31)	(5.67)	-	-
Reduction during the year	(9.52)	(2.79)	(4.88)	-	-
Accumulated Depreciation as per scheme of arrangement	-	-	(27.46)		
Depreciation on sale of assets	9.52	1.76	-	-	-
Opening Accumulated Depreciation	(34.68)	(33.13)	-	-	-
<b>Closing Balance</b>	<b>57.91</b>	<b>21.03</b>	<b>22.31</b>	-	-
<b>Office Equipments</b>					
Opening Balance	76.70	76.08	-	-	-
Addition pursuant to scheme of arrangement	-	-	67.14	-	-
Addition during the year	2.37	0.62	8.94	-	-
Depreciation during the year	(3.20)	(3.51)	(2.97)	-	-
Reduction during the year	-	-	-	-	-
Accumulated Depreciation as per scheme of arrangement	-	-	(56.96)		
Opening Accumulated Depreciation	(63.44)	(59.93)	-	-	-
<b>Closing Balance</b>	<b>12.43</b>	<b>13.26</b>	<b>16.15</b>	-	-
<b>Computers</b>					
Opening Balance	43.65	43.57	-	-	-
Addition pursuant to scheme of arrangement	-	-	42.85	-	-
Addition during the year	0.14	0.09	0.72	-	-

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
Depreciation during the year	(0.44)	(0.73)	(0.80)	-	-
Reduction during the year	(1.03)	-	-	-	-
Depreciation on sale of assets	1.03	-	-	-	-
Accumulated Depreciation as per scheme of arrangement	-	-	(39.98)		
Opening Accumulated Depreciation	(41.51)	(40.78)	-	-	-
<b>Closing Balance</b>	<b>1.84</b>	<b>2.14</b>	<b>2.79</b>	-	-
<b>Total Tangible Assets</b>	<b>10,428.69</b>	<b>9,879.60</b>	<b>9,855.60</b>	-	-
<b>Capital Work in Progress</b>	<b>214.62</b>	<b>727.40</b>	<b>251.82</b>	-	-
<b>Total accumulated Depreciation on Tangible Assets</b>	<b>6,570.66</b>	<b>6,161.24</b>	<b>5,885.12</b>	-	-
<b>WDV Tangible Asset</b>	<b>3,858.03</b>	<b>3,718.36</b>	<b>3,970.48</b>	-	-
<b>Work In Progress</b>	<b>214.62</b>	<b>727.40</b>	<b>251.82</b>		

#### Annexure XVI

#### RESTATED STATEMENT OF LONG TERM LOANS & ADVANCES

(₹ in lakhs)

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
Promoter & Promoter Group	-	-	-	-	-
Others					
Advance Tax / T.D.S	416.07	491.30	269.13	-	-
MAT Credit Entitlement	322.70	17.01	-	-	-
Security Deposit	6.00	6.00	5.76	-	-
Prepaid Expenses	-	0.15	0.33		
<b>Total</b>	<b>744.77</b>	<b>514.46</b>	<b>275.22</b>	-	-

#### Annexure XVII

#### RESTATED STATEMENT OF OTHER NON CURRENT ASSETS

(₹ in lakhs)

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
Fixed Deposits (with more than 12 months maturities)	-	8.88	3.88	-	-
Interest Accrued on Fixed Deposits	-	0.78	0.03	-	-
Capital Advance	14.72	14.95	42.87	-	-
<b>Total</b>	<b>14.72</b>	<b>24.61</b>	<b>46.78</b>	-	-

#### Annexure XVIII

#### RESTATED STATEMENT OF INVENTORIES

(₹ in lakhs)

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
Raw Materials	509.22	562.17	1,091.54	-	-
Raw Materials in Transit	104.02	27.75	495.31	-	-
Work-In-Progress	51.64	229.48	385.69	-	-
Finished Goods	1,642.17	1,788.22	2,530.16	-	-
Stores and Spares	342.59	384.14	370.13	-	-
<b>Total</b>	<b>2,649.64</b>	<b>2,991.76</b>	<b>4,872.83</b>	-	-

**Annexure XIX**  
**RESTATED STATEMENT OF TRADE RECEIVABLES**

(₹ in lakhs)

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
Unsecured, considered good					
Outstanding for a period exceeding six months					
Promoter/Promoter group	-	-	-	-	-
Others					
Considered Good	632.38	1687.32	1271.90	-	-
Considered Doubtful	146.27	76.97	8.27	-	-
Less : Provisions for Doubtful Debts	(146.27)	(76.97)	(8.27)		
<b>Sub Total</b>	<b>632.38</b>	<b>1687.32</b>	<b>1271.90</b>	<b>-</b>	<b>-</b>
Outstanding for a period not exceeding six months					
Promoter/Promoter group	-	-	-		
Others	1,973.04	3521.19	3,235.79	-	-
<b>Total</b>	<b>2,605.42</b>	<b>5,208.51</b>	<b>4,507.69</b>	<b>-</b>	<b>-</b>

**Annexure XX**  
**RESTATED STATEMENT OF CASH & CASH EQUIVALENTS**

(₹ in lakhs)

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
<b>Cash in Hand</b>	11.60	13.21	7.30	0.38	0.39
<b>Balances with banks</b>					
Current Accounts	739.34	17.50	100.35	0.30	0.41
Fixed Deposit with less than 3 months of maturities	190.07	13.69	127.39	-	-
<b>Sub - Total</b>	<b>941.01</b>	<b>44.40</b>	<b>235.04</b>	<b>0.68</b>	<b>0.80</b>
<b>Other Bank Balances</b>					
Fixed Deposits with bank (held as margin money)	335.24	390.45	-	-	-
<b>Total</b>	<b>1,276.24</b>	<b>434.86</b>	<b>235.04</b>	<b>0.68</b>	<b>0.80</b>

**Annexure XXI**  
**RESTATED STATEMENT OF SHORT TERM LOANS & ADVANCES**

(₹ in lakhs)

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
Promoter & Promoter Group	-	-	-	-	-
Others					
Balance With Government & Statutory Authorities	282.89	470.14	535.55	-	-
Advance Recoverable in Cash or in Kind					
- Considered Good	189.08	650.06	734.86	-	-
Prepaid Expenses	9.61	14.81	30.69		
<b>Total</b>	<b>481.58</b>	<b>1135.01</b>	<b>1301.10</b>	<b>-</b>	<b>-</b>

**Annexure XXII**  
**RESTATED STATEMENT OF OTHER CURRENT ASSETS**

(₹ in lakhs)

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
Interest Accrued on Fixed Deposits	5.08	5.64	2.65	-	-
Incentive/Subsidy Receivable	44.63	5.78	5.78	-	-
Other Receivables	8.01	1,753.52	10.43	-	-
<b>Total</b>	<b>57.72</b>	<b>1764.94</b>	<b>18.86</b>	<b>-</b>	<b>-</b>

**Annexure XXIII**  
**RESTATED STATEMENT OF REVENUE FROM OPERATIONS**

(₹ in Lakhs)

Particulars	For the year ended March 31,				
	2018	2017	2016	2015	2014
Sales of Goods	36,245.49	29,928.64	24,438.36	-	-
Sale of Services	-	-	59.10	-	-
Export Benefits	38.84	-	-	-	-
Less: Taxes & Duties	668.40	3,200.17	2,715.38	-	-
<b>Total</b>	<b>35,615.93</b>	<b>26,728.47</b>	<b>21,782.08</b>	<b>-</b>	<b>-</b>

**Annexure XXIV**  
**RESTATED STATEMENT OF OTHER INCOME**

(₹ in Lakhs)

Particulars	For the year ended March 31,				
	2018	2017	2016	2015	2014
Interest Received	17.13	14.61	18.31	-	-
Exchange Fluctuation	31.84	20.40	22.50	-	-
Premium / Discount on forward contract	-	0.09	-	-	-
Insurance Claim Received	-	19.20	5.79	-	-
Excess Liabilities Written Back	103.24	-	141.68	-	-
Profit On Transfer of Property Rights	-	435.00	-	-	-
Profit on sale of assets	-	-	0.01	-	-
Commission Received	240.59	2,884.64	2,596.50	-	-
<b>Total</b>	<b>392.80</b>	<b>3,373.94</b>	<b>2,784.79</b>	<b>-</b>	<b>-</b>
<b>% of PAT</b>	<b>31.73%</b>	<b>5833.31%</b>	<b>3875.65%</b>		

**Annexure XXV**  
**RESTATED STATEMENT OF CONTINGENT LIABILITIES**

(₹ in lakhs)

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
Bank Guarantees	126.75	-	-	-	-
Outstanding letter of credit	997.17	673.00	828.31	-	-
Claims against the company not acknowledged as debts					
- Tax related demand	388.57	4.43	25.98	-	-
- Others	91.51	-	-	-	-
<b>Total</b>	<b>1604.00</b>	<b>677.43</b>	<b>854.30</b>	<b>-</b>	<b>-</b>

**Annexure XXVI**  
**RESTATED STATEMENT OF CAPITALIZATION**

(₹ in lakhs)

Particular	Pre Issue (As at March 31, 2018)	Post Issue
<b>Borrowing</b>		
Long Term Debt	32.89	32.89
Short Term Debt	2,208.68	2,208.68
<b>Total Debts (A)</b>	<b>2,241.57</b>	<b>2,241.57</b>
<b>Equity (Shareholder's funds)</b>		
Equity share capital	496.24	576.26
Reserve and Surplus	4,963.75	7,884.48
<b>Total Equity (B)</b>	<b>5,459.99</b>	<b>8,460.74</b>

Particular	Pre Issue (As at March 31, 2018)	Post Issue
Long Term Debt / Equity Shareholder's funds	0.006	0.004
Total Debts / Equity Shareholder's funds	0.411	0.265

**Note:**

- The above has been computed on the basis of Restated Financials of the Company.
- For the purpose of Long Term Debt, Current Maturities of Long Term Debt of ₹ 11.97 lakhs are included here, which is regrouped under Other Current Liabilities.

**Annexure XXVII**

**STATEMENT OF ACCOUNTING RATIOS**

(₹ in Lakhs)

Particulars	For the year ended March 31,				
	2018	2017	2016	2015	2014
Restated Net Profit as per P&L Account	1,238.08	57.84	71.85	(0.12)	(0.12)
Net Worth	5,459.99	4,221.91	4,164.07	0.65	0.77
No. of Equity Shares outstanding at the end of the year	49,62,439	49,62,439	49,62,439	10,000	10,000
Weighted Average No of Equity Shares outstanding during the year	49,62,439	49,62,439	49,62,439	10,000	10,000
Basic & Diluted Earnings Per Share	24.95	1.17	1.45	(1.21)	(1.17)
Return on Net worth (%)	22.68%	1.37%	1.73%	(18.76)%	(15.24)%
Net Assets Value per Equity Share	110.03	85.08	83.91	6.47	7.68
Nominal Value (₹)	10.00	10.00	10.00	10.00	10.00

Notes to Accounting Ratios:

- The Ratios have been computed as follows:

- Basic Earnings Per Share (₹)
$$\frac{\text{Net Profit After Tax as restated}}{\text{Weighted Average Number of Equity Shares outstanding during the year}}$$
- Return on Net worth (%)
$$\frac{\text{Net Profit after Tax as restated}}{\text{Net Worth}} \times 100$$
- Net Asset Value Per Equity Share (₹)
$$\frac{\text{Net Worth}}{\text{No. of Equity shares outstanding at the end of the year}}$$

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

3) The Calculation of Earnings Per Share (EPS) as disclosed in the Profit and Loss Account has been made in accordance with Accounting Standard (AS - 20) on Earnings Per Share issued by the Institute of Chartered Accountants of India.

4) As there is no dilutive capital in the company, Basic and Diluted EPS are similar.

5) The above Ratios have been computed on the basis of the Restated Financial Information for the respective year.

The above statements should be read with the Notes to Restated Financial Statements.

**Annexure XXVIII**  
**STATEMENT OF DIVIDEND DECLARED**

Particulars	For the year ended March 31,				
	2018	2017	2016	2015	2014
<b>On Equity Shares</b>					
Fully Paid up Share Capital (₹ in lakhs)	496.24	496.24	496.24	1.00	1.00
Face Value (₹)	10	10	10	10	10
Paid up value per share (₹)	10	10	10	10	10
Rate of Dividend	-	-	-	-	-
Total Dividend	-	-	-	-	-
Corporate Dividend tax on above	-	-	-	-	-

**Annexure XXIX**  
**STATEMENT OF RELATED PARTY TRANSACTIONS**

As per Accounting Standard 18 on related party, the Company's related parties are disclosed below:

(i) Key Managerial Personnel / Board of Directors.

For the year ended March 31,				
2018	2017	2016	2015	2014
Dilipp Agarwal	Dilipp Agarwal	Dilipp Agarwal	Dilipp Agarwal	Dilipp Agarwal
Deepak Agarwal	Deepak Agarwal	Deepak Agarwal	Deepak Agarwal	Deepak Agarwal
Ajay Kumar Bajaj	Ajay Kumar Bajaj	Ajay Kumar Bajaj		

(ii) Relatives of Key Managerial Personnel.

For the year ended March 31,				
2018	2017	2016	2015	2014
-	-	-	-	-

(iii) Associates / Enterprises over which directors has significant influence

For the year ended March 31,				
2018	2017	2016	2015	2014
Super Smelters Limited	Super Smelters Limited	Super Smelters Limited	Super Smelters Limited	Super Smelters Limited
Sai Electrocasting Private Limited	Sai Electrocasting Private Limited	Sai Electrocasting Private Limited		Sai Iron (India) Private Ltd

**Particulars of Transactions with Related Parties**

**Key Management Personnel/ Board of Directors**

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2018	2017	2016	2015	2014
<b>1) Finance</b>					
<b>a) Loans Taken</b>					
Opening Balance	-	-	-	-	-
Loan taken during the year	-	-	-	-	-
Repaid during the year	-	-	-	-	-
Outstanding at the end of the year	-	-	-	-	-
<b>b) Loans given</b>					
Opening Balance	-	-	-	-	-
Loans given during the year	-	-	-	-	-

Particulars	For the year ended March 31,				
	2018	2017	2016	2015	2014
Received during the year	-	-	-	-	-
Outstanding at the end of the year	-	-	-	-	-
<b>2) Expenses</b>					
Rent	-	-	-	-	-
Interest Paid	-	-	-	-	-
Remuneration	8.40	4.10	-	-	-
Reimbursement of Expenses	-	-	5.01	-	-
<b>3) Out standing</b>					
Receivables	-	-	-	-	-
Payables	0.65	0.60	5.01	-	-

**Associates / Enterprises over which directors and / or their relatives has significant influence**

(₹ in lakhs)

	For the year ended March 31,				
	2018	2017	2016	2015	2014
<b>1) Finance</b>					
<b>a) Loans Taken</b>					
Opening Balance	-	-	-	-	-
Loan taken during the year	-	-	-	-	-
Repaid during the year	-	-	-	-	-
Outstanding at the end of the year	-	-	-	-	-
<b>b) Loans given</b>					
Opening Balance	-	-	-	-	-
Loans given during the year	-	-	-	-	-
Received during the year	-	-	-	-	-
Outstanding at the end of the year	-	-	-	-	-
<b>2) Expenses</b>					
Reimbursement of Expenses	117.40	-	-	-	-
Interest Paid	-	-	-	-	-
Purchases	16,310.85	10,582.37	2,707.84	-	-
Sales	322.79	611.77	0.13	-	-
<b>3) Outstanding</b>					
Receivables	-	3.90	-	-	-
Payables	546.17	3.49	2,397.15	-	-

**Annexure XXX**

**STATEMENT OF SCHEME OF ARRANGEMENT**

Pursuant to the Scheme of Arrangement (the 'Scheme') between "the Company" (Resulting Company) (SMPL) and Super Smelters Limited (Demerged Company) (SSL) and their respective shareholders, the Durgapur Unit, along with its related assets and liabilities has been transferred to the Company upon the sanction of the Scheme by the Honorable High Court of judicature at Calcutta vide Order dated 14th June, 2016. The certified copy of the Order sanctioning the Scheme has been filed with the Registrar of the Companies, West Bengal, on 2nd August, 2016. Accordingly, the effect of the Scheme has been given from 1st April, 2015, the Appointed Date. In terms of the Scheme, effectively, from 1st April, 2015.

a) All assets and liabilities of the Durgapur Unit, have been transferred to the Company (Resulting Company) (SMPL) at the same book values appearing in the books of account of Super Smelters Limited.



(Amt. in ₹)

	SMPL	
<b>ASSETS</b>		
<b>Non-current assets</b>		
Fixed Assets		
-Tangible assets	3266.99	
-Capital work-in-progress	533.97	
Long-term loans and advances	6.94	
Deferred Tax Assets (Net)	213.60	
		<b>4,021.52</b>
<b>Current assets</b>		
Inventories	4,703.67	
Trade receivables	6,590.87	
Cash and bank balances	532.78	
Short-term loans and advances	324.21	
Other current assets	36.88	
		<b>12,188.42</b>
<b>TOTAL (A)</b>		<b>16,209.94</b>
<b>LIABILITIES</b>		
<b>Reserve &amp; Surplus</b>		
Securities Premium	2,883.49	
General Reserves	25.41	
Surplus in Statement of Profit & Loss	686.43	
		<b>3,595.53</b>
<b>Non-Current Liabilities</b>		
Long-term borrowings	9.37	
		<b>9.37</b>
<b>Current Liabilities</b>		
Short-term borrowings	5,272.87	
Trade payables	5,921.48	
Other current liabilities	867.28	
Short-term provisions	47.36	
		<b>12,108.99</b>
<b>TOTAL (B)</b>		<b>15,713.70</b>
<b>Excess of Assets over Liabilities in the books (A - B)</b>		<b>496.24</b>
<b>Adjusted against:</b>		
Equity Share Capital to be issued		496.24
General Reserve		0.00011
General Reserve as per Note No.3: (₹ 25,41,105 + 11 ) = ₹.25,41,116/-		

b) 4,962,439 Equity shares of Rs 10 each have been issued to the equity shareholders of Super Smelters Limited (SSL) in the ratio of their respective shareholding in the Company as on 01.08.2016 (Record date). Fractional amount entitlement adjusted with General Reserve of the Company.

c) The above disclosures is in line with SEBI ICDR Regulations

**Annexure XXXI**  
**RESTATED STATEMENT OF TAX SHELTER**

(₹ in Lakhs)

Particulars	For the year ended March 31,				
	2018	2017	2016	2015	2014
<b>Tax Rates</b>					
Income Tax Rate (%) (A)	30.00%	30.00%	30.00%	30.00%	30.00%
Surcharge (B)	7.00%	-	7.00%	-	-
<b>Total (A*B)</b>	32.10%	30.00%	32.10%	30.00%	30.00%
Education Cess	3.00%	3.00%	3.00%	3.00%	3.00%
Income Tax Rate (%)	33.06%	30.90%	33.06%	30.90%	30.90%
Minimum Alternate Tax Rate (%)	18.50%	18.50%	18.50%	18.50%	18.50%
Surcharge	12.00%	7.00%	7.00%	-	-
Education Cess	3.00%	3.00%	3.00%	3.00%	3.00%
Minimum Alternate Tax Rate (%)	21.34%	20.39%	20.39%	19.06%	19.06%
Short Term Capital Gain Rate (%)	15.00%	15.00%	15.00%	15.00%	15.00%
<b>Income from Business or Profession</b>					
Restated Profit before tax as per books (A)	<b>1,890.23</b>	<b>75.79</b>	<b>100.03</b>	<b>(0.12)</b>	<b>(0.12)</b>
<b>Timing Differences</b>					
Book Depreciation	422.43	277.88	250.47	-	-
Income Tax Depreciation Allowance	(372.61)	386.63	373.69	-	-
Gratuity expense	18.64	13.65	13.92	-	-
<b>Total Timing Differences (B)</b>	68.46	(95.10)	(109.31)	-	-
<b>Permanent Differences (C)</b>	65.33	(375.39)	(112.00)	-	-
<b>Deduction Under Chapter VI</b>	-	-	-	-	-
<b>Unabsorbed Depreciation (D)</b>	1,683.58	-	-	-	-
<b>Income from Business or Profession (E) = (A+B+C-D)</b>	340.44	(394.70)	(121.28)	(0.12)	(0.12)
Income from Capital Gains	-	435.00	-	-	-
<b>Taxable Income/(Loss)</b>	340.44	40.30	(121.28)	(0.12)	(0.12)
<b>Income Tax on above</b>	112.56	12.45	-	-	-
<b>Book Profit for MAT</b>	1,959.74	144.52	(2.21)	(0.12)	(0.12)
<b>MAT on Book Profit</b>	418.24	29.47	-	-	-
Tax paid as per normal or MAT	MAT	MAT	-	-	-
Tax paid as per returns	-	29.47	-	-	-

**Notes:**

- The aforesaid Statement of tax Shelters has been prepared as per the 'Restated Statement of Profit and Loss Account.

**CHANGES IN ACCOUNTING POLICIES IN THE LAST THREE YEARS**

There has been no change in the Accounting Policies in the last three (3) years.

**CHANGES IN ACCOUNTING PERIOD**

There has been no change in the accounting period of the Company.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

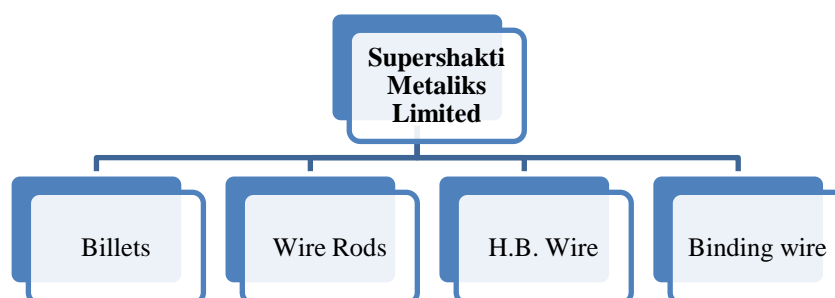
*You should read the following discussion and analysis of financial condition and results of operations together with our financial statements included in this Prospectus. The following discussion relates to our Company and is based on our restated financial statements. Our financial statements have been prepared in accordance with Indian GAAP, the accounting standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.*

*Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be "Forward looking statement" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.*

Our company forms part of Sai Group which has carved itself into a well known group and established its goodwill in iron and steel manufacturing industry. Our specialized and dedicated team of professionals and engineers constantly keep abreast with the latest technology and trends as per the requirement of the industry.

Our company was incorporated on December 12, 2012 as 'Quentz Dealtrade Private Limited' under the provisions of Companies Act, 1956 with the Registrar of Companies, Kolkata. Further the name of our Company was changed to Supershakti Metaliks Private Limited vide special resolution passed at the Extra Ordinary General Meeting held on October 22, 2014. As a result of demerger through High Court order dated June 14, 2016 Super Smelters Limited, a company incorporated by our promoters Mr. Deepak Agarwal & Mr. Dilipp Agarwal, vested its Durgapur unit in our company with effect from April 01, 2015.

We are an ISO 9001: 2015 & ISO 14001: 2015 certified company. Our company strives to provide diversified products of steel, manufactured at our plant located at Kanjilal Avenue, opp. DPL Zone "B" Substation, Durgapur – 713210 spread over 11.27 acres. The plant is fully geared with latest technologies to provide competitive edge in the industry and is also compliant with the laws and licenses applicable on it. We are operating a Steel Melting Section with installed capacity of 1,35,000 MTPA to produce semi finished product (i.e. Billet) and Rolling Mill Section with installed capacity of 1,62,000 MTPA to produce Wire Rods, HB Wires, Binding Wires etc. in our plant. Our company is using Electrotherm equipments for Induction furnace and Armech Engineering machineries for its Block Mill. We have successfully established our brand in wide range of steel manufacturing, steel processing and other allied activities.



Mr. Dilipp Agarwal & Mr. Deepak Agarwal are the Promoter Directors and Mr. Ajay Kumar Bajaj is a Whole-time Director, who have vast experience in steel industry. Further, we have a dedicated team of professionals to look after matching the standards with the industry

## RESULTS OF OUR OPERATIONS

(₹ in lakhs)

Particulars	For the year ended March 31,							
	2018	% of Total Income	2017	% of Total Income	2016	% of Total Income	2015	% of Total Income
<b>INCOME</b>								
Revenue from Operations	35,615.93	98.91%	26,728.47	88.79%	21,782.08	88.66%	-	-
Other Income	392.80	1.09%	3,373.94	11.21%	2,784.79	11.34%	-	-
<b>Total Income (A)</b>	<b>36,008.73</b>	<b>100.00</b>	<b>30,102.41</b>	<b>100.00%</b>	<b>24,566.87</b>	<b>100.00%</b>	-	-
<b>EXPENDITURE</b>								
Cost of Material Consumed	22,491.11	62.46%	18,029.26	59.89%	14,390.36	58.58%	-	-
Purchase of stock in trade	16.50	0.05%	-	-	-	-	-	-
Changes in Inventory	323.89	0.90%	898.15	2.98%	293.29	1.19%	-	-
Employee benefit expenses	448.55	1.25%	254.42	0.85%	259.38	1.06%	-	-
Finance costs	368.98	1.02%	454.66	1.51%	688.46	2.80%	-	-
Depreciation and Amortisation	422.43	1.17%	277.88	0.92%	250.47	1.02%	-	-
Other Expenses	10,047.04	27.90%	10,112.25	33.59%	8,584.88	34.94%	0.12	-
<b>Total Expenses (B)</b>	<b>34,118.50</b>	<b>94.75%</b>	<b>30,026.62</b>	<b>99.75%</b>	<b>24,466.84</b>	<b>99.59%</b>	<b>0.12</b>	-
<b>Net Profit / (Loss) before Tax (A-B)</b>	<b>1,890.23</b>	<b>5.25</b>	<b>75.79</b>	<b>0.25%</b>	<b>100.03</b>	<b>0.41%</b>	<b>(0.12)</b>	-
<b>Less: Provision for Tax</b>								
<i>Tax expense :</i>								
(i) Current tax	418.24	1.16%	29.47	0.10%	-	-	-	-
(ii) Deferred tax	539.59	1.50%	5.49	0.02%	28.18	0.11%	-	-
(iii) MAT credit Entitlement	(305.68)	(0.85)%	(17.01)	(0.06)%	-	-	-	-
<b>Total Tax Expense</b>	<b>652.15</b>	<b>1.81%</b>	<b>17.95</b>	<b>0.06%</b>	<b>28.18</b>	<b>0.11%</b>	<b>(0.12)</b>	-
<b>Net Profit / ( Loss ) for the period after tax but before extra ordinary items</b>	<b>1,238.08</b>	<b>3.44%</b>	<b>57.84</b>	<b>0.19%</b>	<b>71.85</b>	<b>0.29%</b>	<b>(0.12)</b>	-
Extraordinary Items	-	-	-	-	-	-	-	-
<b>Net Profit / ( Loss ) for the period after tax and after extra ordinary items available for appropriation</b>	<b>1,238.08</b>	<b>3.44%</b>	<b>57.84</b>	<b>0.19%</b>	<b>71.85</b>	<b>0.29%</b>	<b>(0.12)</b>	-
<b>Net Profit transferred to Reserves</b>	<b>1,238.08</b>	<b>3.44%</b>	<b>57.84</b>	<b>0.19%</b>	<b>71.85</b>	<b>0.29%</b>	<b>(0.12)</b>	-

### Main Components of our Profit and Loss Account

#### Income

Our total income comprises of revenue from operations and other income.

#### Revenue from Operations

Our revenue from operation as a percentage of total income were 98.91%, 88.79% and 88.66% respectively, for the fiscals 2018, 2017 and 2016.

#### Other Income

Our other income comprises of interest income, premium / discount on forward contracts, claims and miscellaneous receipts, excess liabilities written back, profit on transfer of property rights and commission

income. Other incomes, as a percentage of total income were 1.09%, 11.21% and 11.34% respectively, for the fiscals 2018, 2017 and 2016.

#### *Expenditure*

Our total expenditure primarily consists of Cost of Material Consumed, Purchase of stock in trade, changes in Inventory, Employee Benefit Expenses, Finance costs, Depreciation & Amortisation Expenses and Other Expenses.

#### *Cost of Material Consumed*

Cost of Material Consumed are primarily in relation to purchases of various raw materials consisting of sponge iron, pig iron, scrap, silico manganese and billet for manufacturing of varied metallic products.

#### *Employee Benefit Expenses*

Expenses in relation to employees' remuneration and benefits include gratuity, salaries, bonus and wages, directors remuneration, contribution to PF & others, staff welfare expenses etc.

#### *Finance costs*

Finance cost primarily consists of interest payable on loans availed by our company from banks and others, bank charges etc.

#### *Depreciation Expenses*

Depreciation Expenses consists of depreciation on the Tangible and Intangible assets of our Company which primarily includes Leasehold Land & Site Development, Factory Building & Shed, Plant & Machineries, Furniture & Fixture, Vehicles (Incl. Cycle), Office Equipments & Computers, etc.

#### *Other Expenses*

Other expenses primarily include fuel charges, job / labour charges, electricity expense, job work expense, packing expenses, insurance, travelling & conveyance, carriage inward and outward etc.

#### *Provision for Tax*

The provision for current taxation is computed in accordance with relevant tax regulation. Deferred tax is recognized on timing differences between the accounting and the taxable income for the year and quantified using the tax rates and laws enacted or subsequently enacted as on balance sheet date. Deferred tax assets are recognized and carried forward to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized in future.

### **Fiscal 2018 compared with fiscal 2017**

#### *Income*

In fiscal 2018, our revenue from operations increased by ₹ 8,887.46 lakhs or 33.25%, from ₹ 26,728.47 lakhs in fiscal 2017 to ₹ 35,615.93 lakhs in fiscal 2018. The increase in the year 2018 was due to increase in the revenue from operations as compared to last year.

Other income decreased by ₹ 2,981.14 lakhs or 88.36%, from ₹ 3,373.94 lakhs in fiscal 2017 to ₹ 392.80 lakhs in fiscal 2018. The major factor for such decrease was due to decrease in Commission / Consultancy Income, Premium / Discount on Forward contracts and others.

#### *Cost of material consumed*

Cost of material consumed increased by ₹ 4,461.85 lakhs or 24.75%, from ₹ 18,029.26 lakhs in fiscal 2017 to ₹ 22,491.11 lakhs in fiscal 2018.

### *Employee Benefit Expenses*

Our staff cost increased by ₹ 194.13 lakhs or 76.30%, from ₹ 254.42 lakhs in fiscal 2017 to ₹ 448.55 lakhs in fiscal 2018. This increase was mainly due to rise in the salary and salaries based incentives like Bonus, conveyance allowance and thereby increase in Provident Fund, ESIC, Director Remuneration etc.

### *Depreciation Expenses*

Depreciation expenses increased by ₹ 144.55 lakhs or 52.02% from ₹ 277.88 lakhs in fiscal 2017 to ₹ 422.43 lakhs in fiscal 2018. This increase was on account of purchase of plant & machineries and vehicles in FY 2017-18.

### *Profit before Tax*

Our Profit before tax is increased by ₹ 1,814.44 lakhs from ₹ 75.79 lakhs in fiscal 2017 to ₹ 1,890.23 lakhs in fiscal 2018 due to increase in revenue from operations.

### *Profit after Tax*

After accounting for taxes at applicable rates, our Profit after Tax increased significantly by ₹ 1,180.24 lakhs from ₹ 57.84 lakhs in fiscal 2017 to ₹ 1,238.08 lakhs in fiscal 2018. The reason of increase in Profit after Tax are:

- **Increase in the Steel Prices:** Due to revival of steel and iron industry in the FY 17-18, prices of steel has increased due to which opening inventories have been valued at low price and closing stock of the current year have been valued at increased prices which results in increase of profit.
- **Increase in Economic scale due to increase in capacity:** During the FY 2017-2018 we have enhanced our production capacity, due to which our production has increased and sale has significantly increased by ₹ 8,887.46 from ₹ 26,728.47 in FY 2016-17 to ₹ 35,615.93 in FY 2017-2018.
- **Decrease in the finance cost:** During the FY 2017-2018 the finance cost has also reduced as compared to last fiscal, Finance cost during the year decreased by ₹ 85.68 lakhs or 18.85%, from ₹ 454.66 lakhs in fiscal 2017 to ₹ 368.98 lakhs in fiscal 2018. The major factor for such decrease was due to decrease in Interest on Working Capital from Bank and Other Borrowing Cost.
- **Decrease in Inventory level:** During the FY 2017-2018 our inventory has also decreased as compared to last fiscal result of which has increased our profitability. Our inventory days in FY 2016-17 were 37 days which has been reduced to 27 days in FY 2017-18.
- **Other expenses** decreased by ₹ 65.21 lakhs or 0.65% from ₹ 10,112.25 lakhs in fiscal 2017 to ₹ 10,047.04 lakhs in fiscal 2018. The decrease was due to decrease in Selling & Administrative Expenses like Commission Paid, Bank Charges, Insurance, Bad Debts, etc incurred in fiscal 2018.

### **Fiscal 2017 compared with fiscal 2016**

#### *Income*

In fiscal 2017, our revenue from operations increased by ₹ 4946.39 lakhs or 22.71%, from ₹ 21,782.08 lakhs in fiscal 2016 to ₹ 26,728.47 lakhs in fiscal 2017. The increase in the year 2017 was due to increase in the revenue from operations as compared to last year.

Other income increased by ₹ 589.15 lakhs or 21.16%, from ₹ 2,784.79 lakhs in fiscal 2016 to ₹ 3,373.94 lakhs in fiscal 2017. The major factor for such increase was due to increase in Commission / Consultancy Income, Premium / Discount on Forward contracts and others

### *Cost of material consumed*

Cost of material consumed increased by ₹ 3,638.90 lakhs or 25.29%, from ₹ 14,390.36 lakhs in fiscal 2016 to ₹ 18,029.26 lakhs in fiscal 2017.

### *Employee Benefit Expenses*

Our staff cost decreased by ₹ 4.96 lakhs or 1.95%, from ₹ 259.38 lakhs in fiscal 2016 to ₹ 254.42 lakhs in fiscal 2017. This decrease was mainly due to decrease in staff welfare expense as compared to last fiscal.

### *Finance Cost*

Finance cost during the year decreased by ₹ 233.80 lakhs or 33.96%, from ₹ 688.46 lakhs in fiscal 2016 to ₹ 454.66 lakhs in fiscal 2017 due to decrease in loss of foreign exchange fluctuation, Interest on bank borrowings.

### *Depreciation*

Depreciation expenses increased by ₹ 27.41 lakhs, or 10.94%, from ₹ 250.47 lakhs in fiscal 2016 to ₹ 277.88 lakhs in fiscal 2017. This increase was on account of additions of assets in FY 2016-17.

### *Other Expenses*

Other expenses increased by ₹ 1,527.37 lakhs or 17.79%, from ₹ 8,584.88 lakhs in fiscal 2016 to ₹ 10,112.25 lakhs in fiscal 2017. The increase was majorly due to increase in certain expenses like bad debts, security charges, fee rates and taxes etc.

### *Profit before Tax*

The Profit before tax has been decreased by ₹ 24.24 lakhs or 24.23%, from ₹ 100.03 lakhs in fiscal 2016 to ₹ 75.79 lakhs in fiscal 2017 due to increase in expenses.

### *Profit after Tax*

After accounting for taxes at applicable rates, our Profit after Tax decreased by ₹ 14.01 lakhs or 19.50%, from ₹ 71.85 lakhs in fiscal 2016 to ₹ 57.84 lakhs in fiscal 2017.

## **Fiscal 2016 compared with fiscal 2015**

Company started operations from the Fiscal Year 2016, as a result of demerger through High Court order dated June 14, 2016. Since there were no operations in the Fiscal Year 2015 no comparisons have been made for Fiscal Year 2016 and Fiscal Year 2015.

### **Cash Flows**

(₹ in lakhs)

Particulars	For the Year ended March 31,			
	2018	2017	2016	2015
Net Cash from Operating Activities	4,331.62	(279.06)	2,320.89	(0.12)
Net Cash from Investing Activities	(7.17)	(420.27)	(968.20)	-
Net Cash used in Financing Activities	(3,427.85)	508.69	(1,651.11)	-
Net Increase / (Decrease) in Cash and Cash equivalents	896.60	(190.64)	(298.42)	(0.12)

### *Cash Flows from Operating Activities*

Net cash from operating activities in fiscal 2018 was ₹ 4,331.62 lakhs as compared to the PBT of ₹ 1,890.23 lakhs for the same period. This difference is primarily on account of depreciation, Interest and Financial charges, Inventories, Trade payables, Trade receivables, Short term loans & advances, short term provisions and other current liabilities.



Net cash from operating activities in fiscal 2017 was negative ₹ 279.06 lakhs as compared to the PBT of ₹ 75.79 lakhs for the same period. This difference is primarily on account of depreciation, Interest and Financial charges, Inventories, Trade payables, Trade receivables, Short term loans & advances, short term provisions and other current liabilities.

Net cash from operating activities in fiscal 2016 was ₹ 2,320.89 lakhs as compared to the PBT of ₹ 100.03 lakhs for the same period. This difference is primarily on account of depreciation, Interest and Financial charges, Inventories, Trade payables, Trade receivables, Short term loans & advances, short term provisions and other current liabilities.

#### ***Cash Flows from Investment Activities***

In fiscal 2018, the net cash invested in Investing Activities was negative ₹ 7.17 lakhs. This was on account of purchase of fixed assets and increase in long term loans and advances.

In fiscal 2017, the net cash invested in Investing Activities was negative ₹ 420.27 lakhs. This was majorly on account of purchase of fixed assets, increase in Capital WIP and changes in Long Term Loans and Advances.

In fiscal 2016, the net cash invested in Investing Activities was negative ₹ 968.20 lakhs. This was majorly on account of purchase of fixed assets, Changes in Capital WIP and changes in Long Term Loans and Advances.

#### ***Cash Flows from Financing Activities***

Net cash from financing activities in fiscal 2018 was negative ₹ 3427.85 lakhs. This was on account of short term borrowings and interest and financial charges.

Net cash from financing activities in fiscal 2017 was ₹ 508.69 lakhs. This was on account of increase in short term borrowings.

Net cash from financing activities in fiscal 2016 was negative ₹ 1651.11 lakhs. This was on account of decrease in short term borrowings.

### **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 “*Financial Information*” and chapter titled “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*”, beginning on page nos. 145 and 169 respectively of this Prospectus respectively, to our knowledge there are no significant economic changes that materially affected or are likely to affect income from continuing Operations.

#### **3. Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations**

Other than as described in the chapter titled “*Risk Factors*” and “*Management’s Discussion and Analysis of Financial Conditions and Result of Operations*”, beginning on page nos. 14 and 169 respectively of this Prospectus respectively 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.

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**4. Future relationship between Costs and Income**

Other than as described in the chapter titled “Risk Factors” beginning on page no. 14 of this Prospectus, to our knowledge there are no factors, which will affect the future relationship between costs and income or which are expected to have a material adverse impact on our operations and finances.

**5. The extent to which material increases in revenue or income from operations are due to increased volume, introduction of new products or services or increased prices**

Increases in revenues are by and large linked to increases in introduction of new products and volume of business activity carried out by the Company.

**6. Total turnover of each major industry segment in which our Company operates.**

Our Company is engaged in the business of manufacturing of iron and steel products. Our Company has a varied product portfolio and as steel manufacturers we believe that our operations shall be sufficiently flexible to enable us to alter our product mix and position in order to minimize any adverse effect on our business in the highly cyclical steel industry.

**7. Status of any publicly announced new products or business segments**

Please refer to the chapter titled “*Our Business*” beginning on page no. 90 of this Prospectus.

**8. The extent to which the business is seasonal.**

Our business is not seasonal in nature.

**9. Any significant dependence on a single or few suppliers or customers**

The revenues from our top 10 customers constituted approximately 49.42 % respectively for fiscal 2018. For fiscal 2017, the revenues from our top 10 customers constituted approximately 44.21% respectively. For further details, please refer chapter “*Our Business*” beginning on page no. 90 of this Prospectus.

**10. Competitive Conditions**

Our Company faces competition from players in the global market as well as domestic market. We expect competition to intensify due to possible changes in government policy in relation to exports and further compliance standards for the products manufactured by us, existing competitors globally and locally further expanding their operations and further many small and medium-sized companies and entities engaged in manufacturing of chemicals. This we believe may impact our financial condition and operations.

## FINANCIAL INDEBTEDNESS

Set forth below, is a brief summary of our Company's borrowings as on March 31, 2018 together with a brief description of certain significant terms / material covenants of the relevant financing arrangements.

(₹ in lakhs)

Nature of Borrowing	Amount
Secured Borrowings#	2,241.57
Unsecured Borrowings	-
<b>Total</b>	<b>2,241.57</b>

# Includes current maturities of long term borrowing of ₹ 11.97 lakhs.

### SECURED BORROWINGS OF OUR COMPANY

(₹ in lakhs)

Name of Lender	Type of Loan	Sanctioned amount	Amount outstanding as on March 31, 2018	Rate of Interest (p.a.)	Tenor/ Repayment Schedule	Security Provided
Union Bank Of India*	Cash Credit**	1,000.00 <sup>(1)</sup>	216.70	1 Year MCLR+2.70%	Repayable on demand	1 <sup>st</sup> pari passu charge on the entire current assets present & future of the Durgapur Unit of the Company
	Buyers Credit	1,500.00 <sup>(1)(2)</sup>	877.59	Interest Rates are Variable***		
Dena Bank*	Cash Credit**	1,000.00	-	Bank Rate + 1.50%		2 <sup>nd</sup> pari passu charge on the entire fixed assets, present and future of the Durgapur unit of the company.
	Buyers Credit	1,000.00	130.90	Interest Rates are Variable***		
Indian Overseas Bank*	Cash Credit**	5,000.00	-	Bank Rate + 1.50%		For Guarantees Please refer Note 1
	Buyers Credit	3,000.00 <sup>(3)</sup>	983.48	Interest Rates are Variable***		

\* These loans were originally sanctioned for Super Smelters Limited. Further, we have received letter dated June 06, 2017, February 15, 2017 and April 04, 2018 from Dena Bank, Indian Overseas Bank and Union Bank respectively for the transfer of the said loans to our company/ in the name of new company.

\*\*We have sanctioned various facilities such as WCDL/FCL/LC/PCFC/Buyers Credit/GPCL etc as interchangeable limits of Working Capital fund based as per respective sanction letters of consortium.

\*\*\* Interest rates vary from transaction to transaction as per the terms of sanction.

- (1) Total sanctioned limit for cash credit and buyer's credit is ₹ 2,000.00 lakhs.  
(2) Including sub-limit of ₹ 500.00 lakhs of cash credit and non fund based limit of ₹ 1,000.00 lakhs sanctioned by the bank.  
(3) Including sub-limit of ₹ 2,500.00 lakhs of cash credit and non fund based limit of ₹ 500.00 lakhs.

#### Note 1

##### Guarantees:

1. Sri Sitaram Agarwal
2. Sri Dilipp Agarwal
3. Sri Deepak Agarwal
4. M/s Rocky Datamatics Private Limited
5. M/s Skoda Trexim Private Limited
6. M/s Veerbhadra Sales Private Limited

Apart from above borrowings we have been approved bank guarantees/letter of credit limits from different banks as follows:

1. Our company has approved sanction for bank guarantee/ letter of credit of ₹ 1,000.00 lakhs from Union Bank of India. The outstanding bank guarantee and letter of credit as on March 31, 2018, is ₹ 126.75 lakhs and ₹ 273.00 lakhs respectively against the same.
2. Further, we also have approved sanction for bank guarantee/ letter of credit of ₹ 1,000.00 lakhs from Dena Bank. The outstanding letter of credit as on March 31, 2018, is ₹ 724.17 lakhs against the same.

#### **B. Details of Vehicle Loan**

Apart from above, we have outstanding vehicle loans of ₹ 32.89 lakhs as on March 31, 2018 from banks, the rate of interest on the same ranges from 8.25% to 9.86% p.a.

## SECTION VII – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

*Except as stated in this section, there are no:*

- A. (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; or (iv) Material Litigation (as defined below); involving our Company, Directors, Promoters or Group Companies. Our Board, in its meeting held on May 10, 2018, determined that outstanding legal proceedings involving the Company, Directors, Promoters and Group Companies which are in the nature of criminal, statutory / regulatory and taxation related which, exceeds 1% of the revenue of our Company as per the last audited financial statements will be considered as material litigation (“Material Litigation”).
- B. (i) Litigation or legal actions, pending or taken, by any Ministry or department of the Government or a statutory authority against our Promoter during the last five years; (ii) pending proceedings initiated against our Company for economic offences; (iv) default and non-payment of statutory dues by our Company; (v) inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous companies law in the last five years against our Company; or (vi) material frauds committed against our Company in the last five years.
- C. (i) Outstanding Material Dues (as defined below) to creditors; or (ii) outstanding dues to small scale undertakings and other creditors.

Our Board, in its meeting held on May 10, 2018, determined that outstanding dues owed by the Company to small scale undertaking and other creditors exceeding 1% of the revenue of our Company as per the last audited financial statements shall be considered as material dues (“Material Dues”). Details of outstanding dues to creditors (including micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006) as required under the SEBI ICDR Regulations have been disclosed on our website at [www.supershaktimetals.com](http://www.supershaktimetals.com).

Our Company, Directors, Promoter and Group Companies are not Wilful Defaulters and there have been no violations of securities laws in the past or pending against them.

#### LITIGATION INVOLVING OUR COMPANY

#### CONTINGENT LIABILITIES OF OUR COMPANY

Particulars	Amount				
	2018	2017	2016	2015	2014
Bank Guarantees	126.75	-	-	-	-
Outstanding letter of credit	997.17	673.00	828.31	-	-
Claims against the company not acknowledged as debts					
- Tax related demand	388.57	4.43	25.98	-	-
- Others	91.51	-	-	-	-
<b>Total</b>	<b>1604.00</b>	<b>677.43</b>	<b>854.30</b>	<b>-</b>	<b>-</b>

#### A. LITIGATION AGAINST OUR COMPANY

##### 1. Criminal matters

NIL

##### 2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

### 3. Litigation involving Tax Liabilities

Sr. No	Nature of Case	No. of Cases	Amount in dispute (in Rs.)
1.	Direct Tax	Nil	Nil
2.	Indirect Tax	8	2,36,25,823/-
	<b>Total</b>	<b>8</b>	<b>2,36,25,823/-*</b>

*\*The amounts mentioned above may be subject to additional interest rates and/or penalties being levied by the concerned authorities for delay in making payment or otherwise. Amount of interest and/ or penalty that may be levied is unascertainable as on the date of this Prospectus.*

### 4. Other Pending Litigations

NIL

## B. CASES FILED BY OUR COMPANY

### 1. Litigation Involving Criminal matters

NIL

### 2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

### 3. Litigation involving Tax Liabilities

Sr. No	Nature of Case	No. of Cases	Amount in dispute (in Rs.)
1.	Direct Tax	Nil	Nil
2.	Indirect Tax	7	1,39,81,852/-
	<b>Total</b>	<b>7</b>	<b>1,39,81,852/-*</b>

*\*The amounts mentioned above may be subject to additional interest rates and/or penalties being levied by the concerned authorities for delay in making payment or otherwise. Amount of interest and/ or penalty that may be levied is unascertainable as on the date of this Prospectus.*

### 4. Other Pending Litigations

NIL

## LITIGATION INVOLVING OUR DIRECTORS

### A. LITIGATION AGAINST OUR DIRECTORS

#### 1. Criminal matters

*For further details of certain notices issued to our Directors, please refer to the Section titled "Litigations involving our Group Companies" of this chapter beginning on page 181 of this Prospectus.*

#### 2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

#### 3. Litigation involving Tax Liabilities

Sr. No	Nature of Case	No. of Cases	Amount in dispute (in Rs.)
1.	Direct Tax	Nil	Nil
2.	Indirect Tax	2	1,02,15,943/-
	<b>Total</b>	<b>2</b>	<b>1,02,15,943/-*</b>

*\*The amounts mentioned above may be subject to additional interest rates and/or penalties being levied by the concerned authorities for delay in making payment or otherwise. Amount of interest and/ or penalty that may be levied is unascertainable as on the date of this Prospectus.*

**4. Other Pending Litigations**

NIL

**B. LITIGATION FILED BY OUR DIRECTORS**

**1. Litigation Involving Criminal matters**

NIL

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3. Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

NIL

**(ii) Indirect Taxes Liabilities**

NIL

**4. Other Pending Litigations**

NIL

**LITIGATION INVOLVING OUR PROMOTERS**

**A. LITIGATION AGAINST OUR PROMOTERS**

**1. Litigation Involving Criminal matters**

*For further details of certain notices issued to our Promoters, please refer to the Section titled "Litigations involving our Group Companies" of this chapter beginning on page 181 of this Prospectus.*

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3. Litigation involving Tax Liabilities**

Sr. No	Nature of Case	No. of Cases	Amount in dispute (in Rs.)
1.	Direct Tax	1	1,77,180/-
2.	Indirect Tax	2	1,02,15,943/-
	<b>Total</b>	<b>3</b>	<b>1,03,93,123/-*</b>

*\*The amounts mentioned above may be subject to additional interest rates and/or penalties being levied by the concerned authorities for delay in making payment or otherwise. Amount of interest and/ or penalty that may be levied is unascertainable as on the date of this Prospectus.*

**4. Other Pending Litigations**

NIL



## **B. LITIGATION FILED BY OUR PROMOTERS**

### **1. Litigation Involving Criminal matters**

NIL

### **2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

### **3. Litigation involving Tax Liabilities**

#### **(i) Direct Tax Liabilities**

NIL

#### **(ii) Indirect Taxes Liabilities**

NIL

### **4. Other Pending Litigations**

NIL

## **LITIGATION INVOLVING OUR GROUP COMPANIES**

### **A. LITIGATION AGAINST OUR GROUP COMPANIES**

#### **1. Litigation involving Criminal matters**

**Criminal Complaint bearing No. 21957/2014 filed by Lucky Coke Industries against (i) Super Smelters Limited, (ii) Dilipp Agarwal, Managing Director of Super Smelters Limited (iii) Vikram Agarwal, of Super Smelters Limited (iv) Bishnu Bajaj Officer of Super Smelters Limited (collectively referred to as “Accused”) before the Chief Metropolitan Magistrate at Calcutta (“the Court”)**

Rajesh Agarwal, employee of Lucky Coke Industries has filed a Complaint in dated June 12, 2014 under Section 156(3) of the Code of Criminal Procedure against the Accused before the Court for fraud cheating and breach of trust by misappropriating the goods worth Rs. 19,21,876/-, offences punishable under Section 506 and 323 of the Indian Penal Code. Upon being approached by the Accused, the Complainant delivered 7 trucks of pearl coke between March 01, 2013 and March 02, 2013 which were accepted and acknowledged by the Accused. Subsequently, the Complainant filed an Application before the Court dated June 17, 2014 asking it to treat it as an F.I.R to start investigation into offences punishable under Sections 420, 406, 506, 323, 120B and 34 of the Indian Penal Code. The Court passed an order on June 17, 2014 calling for report from the police by 23<sup>rd</sup> June, 2014. The Shakespeare Sarani Police Station upon order of the Court on 3<sup>rd</sup> July 2014 started investigation. Bishnu Bajaj, subsequently, filed another urgent application before the Court dated November 05, 2014 under Section 340 of the Cr PC denying allegations and stated that the Complainant’s Application is on false grounds constituting an offence under Section 191 of the Indian Penal Code requesting cognizance of offences under Section 193 of the IPC. This matter is currently pending.

**Criminal Complaint bearing No. 21958/2014 filed by Ayesh Coal Trading Co. against (i) Super Smelters Limited, (ii) Dilipp Agarwal, Managing Director of Super Smelters Limited (iii) Vikram Agarwal, of Super Smelters Limited (iv) Bishnu Bajaj Officer of Super Smelters Limited (collectively referred to as “Accused”) before the Chief Metropolitan Magistrate at Calcutta (“the Court”)**

Rajesh Agarwal, Employee of Ayesh Coal Trading Company has filed a Complaint in dated June 12, 2014 under Section 156(3) of the Code of Criminal Procedure against the Accused before the Court for fraud cheating and breach of trust by misappropriating the goods worth Rs.5,54,950/-, offences punishable under Section 506 and 323 of the Indian Penal Code. Upon being approached by the Accused, the Complainant delivered 2 trucks of lamcoke between 23.02.2013 and 24.02.2013 which were accepted and acknowledged by the Accused. Subsequently, the Complainant filed an Application before the Court dated June 17, 2014 asking it to treat it as an F.I.R to start investigation into offences punishable under Sections 420, 406, 506, 323, 120B and 34 of the Indian Penal Code. The Court passed an order on June 17, 2014 calling for report from the police by 23<sup>rd</sup> June, 2014. The Shakespeare Sarani Police Station upon order of the Court on 3<sup>rd</sup> July 2014 started investigation. Dilipp Agarwal, subsequently, filed another urgent application before the Court dated November 05, 2014 under Section 340 of the Cr PC denying allegations and stated that the Complainant's Application is on false grounds constituting an offence under Section 191 of the Indian Penal Code requesting cognizance of offences under Section 193 of the IPC. This matter is currently pending.

**Case No. 3834 of 2015 ("Petition") filed (i) Navin Gupta, (ii) Krishna Murari Lal (iii) Ashish Jhunjhunwalla (iv) Bimal Kumar Jhunjhunwalla (v) Ayush Suresh Lohia (vi) Lalit Mohan Chatterjee (vii) Gajendra Kumar Singh against (i) Super Smelters Ltd; (ii) State of West Bengal before the High Court of Calcutta ("the High Court").**

Super Smelters Limited has filed a Complaint before the Court of Chief Metropolitan Magistrate, Kolkata under Section 138 read with Section 141 Of the Negotiable Instruments Act, 1881 as amended by the Banking Public Financial Instrument Laws (Amendment) Act, 1988 against (i) Ram Swarup Industries Limited and Directors (ii) Krishnal Murali Lal (iii) Bimal Kumar Jhujhuwala (iv) Navin Gupta (v) Ayush Suresh Lohia (vi) Lalit Mohan Chatterjee (vii) Ashish Jhunjhunwala (viii) Gajendra Kumar Singh. The accused placed orders with complainant for supply and delivery of MS Wire Rods, Billets and other goods of agreed specification which were duly delivered and accepted. The Complainant raised bills in this respect to a sum of Rs. 5,58,79,708/-. The Accused drew 3 cheques worth Rs. 20,00,000/- which were dishonoured by the bank on October 30, 2010. The complainant served a notice to the accused dated November 10, 2010 to make the payment due. The accused failed to make the payment. The Complainant filed an application dated December 23, 2010 before the Court of the Chief Metropolitan Magistrate ('Lower Court') to take cognizance of the offence punishable under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881. The Magistrate took purported cognizance and transferred the case to the Court of metropolitan Magistrate vide Order dated January 28, 2011. The Accused Directors filed a revision petition before the High Court Of Calcutta which was disposed vide order dated March 15, 2013 by directing the Lower Court to conduct an inquiry in terms of Section 202 of Code of Criminal Procedure. Upon an order passed by the Lower Court dated August 13, 2013. The Police (Shakespeare Sarani) filed a report dated March 25, 2014 on the basis of which the Lower Court issued process in nature of summon. Aggrieved by the proceeding of the Complaint Case no. 38116 of 2010, The Accused Directors (i) Navin Gupta, (ii) Krishna Murari Lal (iii) Ashish Jhunjhunwalla (iv) Bimal Kumar Jhunjhunwalla (v) Ayush Suresh Lohia (vi) Lalit Mohan Chatterjee (vii) Gajendra Kumar Singh filed a petition before the High Court of Calcutta under Section 482 of the Code of Criminal Procedure, 1973 for quashing of proceedings in the lower court on the grounds of no vicarious liability on part of the Directors for the conduct of Company's Business. The matter is currently pending before the High Court as a result of which the Lower court proceedings have been stopped.

## **2. Litigation Involving Actions by Statutory/Regulatory Authorities**

**Complaint bearing No.G-535 of 2014 filed by Jharkhand State Pollution Control Board against M/s Super Smelters Limited (now Sai Electrocasting Private Limited) before the Chief Judicial Magistrate, Koderma.**

Jharkhand State Pollution Control Board filed a complaint dated December 10, 2014 against Super Smelters Limited before the Court of Chief Judicial Magistrate, Koderma for continuance of operations despite the non-clearance from the Ministry of Environment and Forests (MOEF). The plant was operative without obtaining the Environmental Clearance and the consent of the JSPCB as it was an offence under Section 15 of Environmental Protection Act, 1986. The High Court of Ranchi in its order no. Cr. M.P. 189 of 2015 dated December 04, 2015 has stayed the case no. G-535/2014. This matter is currently pending.

### 3. Litigation involving Tax Liabilities

Sr. No	Nature of Case	No. of Cases	Amount in dispute (in Rs.)
1.	Direct Tax	Nil	Nil
2.	Indirect Tax	4	14,06,39,573/-
	<b>Total</b>	<b>4</b>	<b>14,06,39,573/-*</b>

*\*The amounts mentioned above may be subject to additional interest rates and/or penalties being levied by the concerned authorities for delay in making payment or otherwise. Amount of interest and/ or penalty that may be levied is unascertainable as on the date of this Prospectus.*

### 4. Other Pending Litigations

NIL

### B. LITIGATION FILED BY OUR GROUP COMPANIES

#### 1. Criminal matters

NIL

#### 2. Litigation Involving Actions by Statutory/Regulatory Authorities

**Complaint dated February 23, 2018 bearing no. 185/2018 filed by M/s Super Smelters Limited, against Mr. Subhas Chandra and Ors. (“Accused”) Before the Additional Chief Judicial Magistrate, Asansol (“Court”)**

A Complaint dated February 23, 2018 bearing no. 185/2018 was filed by M/s Super Smelters Limited, against Mr. Subhas Chandra and Ors. (“Accused”) Before the Additional Chief Judicial Magistrate, Asansol (“Court”) for theft, cheating and criminal conspiracy under Indian Penal Code, 1860 inter-alia praying that the Court directs the police station, Jamuria to initiate investigation under section 156(3) of Cr.P.C. on the basis of the First Information Report (“FIR”) dated February 17, 2018 bearing no. 50/18 filed by the Complainant. This matter is currently pending.

**Case No. 66/2016 filed by Super Smelters Limited against (i) Employee State Insurance Corporation (ii) Recovery Officer, Employees State Insurance before the Employees’ Insurance Court, Kolkata.**

Super Smelters Limited is engaged in manufacturing activities and is covered under the ESI Act having ESI Code number and has been paying contribution without default. The Social Security Officer of the Corporation visited the establishment of Super Smelters Limited and inspected all documents and supplied a copy of visit note dated August 22, 2014. Thereafter, Super Smelters Limited was served with a notice in Form C-18(ad hoc) dated November 17, 2014 proposing a recovery of Rs. 7,36,704/-. Super Smelters Limited issued a letter dated February 19, 2015 with documentary evidence to the Hearing Officer of the Corporation. An order dated November 15, 2015 was passed under section 45A of the Act thereby directing Super Smelters Limited to pay contribution of Rs. 1,67,046/- for the period of March 2012 to March 2013 on account of repair and maintenances raw material handling charges. Thereafter, Super Smelters Limited received notice dated June 23, 2016 under the head C-19 to initiate recovery measures of Rs. 1,97,856/- with interest and other charges. Super Smelters Limited filed a petition before the Employees Insurance Corporation under Section 40 of the ESI Act inter alia praying for restraining the Corporation from recovering such amount from Super Smelters Limited and an exemption for depositing any amount. The Court vide Order no. 07 dated April 18, 2017 passed an order restraining corporation from realizing any amount on the basis of order dated November 15, 2015 under Section 45A of the ESI Act and the notice dated June 23, 2016 till the disposal of instant case, subject to deposit of 25% of the claimed amount of Rs. 1,97,856/- i.e. Rs. 49,464/- to the corporation. The trail is still going on.

### 3. Litigation involving Tax Liabilities

Sr. No	Nature of Case	No. of Cases	Amount in dispute (in Rs.)
1.	Direct Tax	Nil	Nil
2.	Indirect Tax	32	53,27,81,879/-
	<b>Total</b>	<b>32</b>	<b>53,27,81,879/-*</b>

*\*The amounts mentioned above may be subject to additional interest rates and/or penalties being levied by the concerned authorities for delay in making payment or otherwise. Amount of interest and/ or penalty that may be levied is unascertainable as on the date of this Prospectus.*

#### **Appeal dated March 24, 2015 bearing no. RN-529/2015 filed by M/s Super Smelters Limited before the West Bengal Taxation tribunal, Salt lake City, Kolkata**

Application dated March 24, 2015 bearing no. RN-529/2015 by the M/s Super Smelters Limited & Anr before the West Bengal Taxation Tribunal, Kolkata against the Order-in-Original dated January 7, 2015 passed by the Senior Joint Commissioner Commercial Taxes, Special Cell that upheld the Order of Joint Commissioner Commercial Taxes, Special Cell which did not given permission to amend the Eligibility Certificate regarding the enhancement of the Gross Value of Fixed Capital Assets. Matter has been accepted by the Tribunal dated April 06, 2015 and currently pending.

### 4) Other Pending Litigations

#### **Case/Application no. 266/2016 filed by Super Smelters Limited (“the Petitioner”) against Magadh Precision Equipments Limited (“Respondent”) before the High Court of Calcutta**

Super Smelters Limited has filed a petition dated March 6, 2018 before the High Court of Calcutta under Section 14, 15 and 29A of the Arbitration and Conciliation Act, 1996 against Magadh Precision Equipments Limited. The parties entered into a contract dated February 1, 2011 for the petitioner to order upon the Respondent for commissioning of Hot strip Mill. The Respondent started supplying the equipments from June 1, 2012. However, due to the defects in the goods supplied by the Respondent, the Petitioner suffered a loss of profits and unnecessary expenditure amounting to Rs. 1,743.91 lakhs. The Petitioner vide its notice dated October 27, 2015 called upon the Respondent to pay the amount along with 24% interest. The purchase orders contained an arbitration clause. Upon the Respondent’s neglect and failure to make good the damages, the Petitioner nominated Justice Pradip Kumar Biswas to act as an arbitrator and requested the Respondent to appoint their arbitrator vide its letter dated January 15, 2016. Pursuant to Respondent’s failure to appoint an arbitrator, the Petitioner filed an application No. 266/2016 inter alia requesting the court to appoint a sole Arbitrator as the mechanism for appointing an arbitrator had failed. The Court vide its order dated November 22, 2016 appointed Justice Jayanta Kumar Biswas as the Sole Arbitrator and ordered that the commensurate remuneration shall be fixed by the Arbitrator at the first sitting. The Arbitrator in the first sitting dated January 2, 2017 issued procedural instructions and inter alia agreed to settle the question of Arbitrator’s fees in the 2<sup>nd</sup> sitting. The Petitioner filed its Statement of Claim together with all the documents on February 28, 2017 inter alia making a claim of a total amount of Rs. 25,04,90,826/-. The 2<sup>nd</sup> sitting was held on June 15, 2017 where inter alia the Arbitrator’s fees were decided at Rs. 28 lakhs. The 3<sup>rd</sup> sitting was held on July 11, 2017 wherein the Arbitrators fees were kept at Rs. 50,000 per sitting. The fourth sitting held on July 28, 2017 where inter alia the respondents consented to share the fees payable. The respondent submitted their counter statement of claim on August 11, 2017 inter alia making a counter demand for Rs. 15,11,600/- and asked the Claimant to provide a C Form against materials supplied. In the fifth sitting held on December 20, 2017 the respondents submitted that they shall not bear any part of the arbitration expenses. In the sixth sitting held on January 28, 2018 the arbitrator terminated the mandate of the arbitrator by withdrawing from the proceedings. Subsequently, the Petitioner filed a petition before the High Court of Calcutta on March 6, 2018. The matter is listed.

**Case No. 147/2018 filed by Super Smelters Limited (“the Petitioner”) against Predominant Engineers and Contracts Private Limited (“the Respondent”) before the High Court of Calcutta**

The Petitioner and the Respondent filed two applications bearing A.P. No. 712 of 2016 and A.P.no. 703 of 2016 respectively under Section 9 of the Arbitration and Conciliation Act, 1996. Thereafter, J. Soumen Sen passed a common order dated August 23, 2016 appointed Mr. Hirak Kumar Mitra as a sole arbitrator for adjudication of dispute between parties over sub-standard and faulty supply of machinery causing loss of Rs. 4.66 crores. The aforesaid order inter alia requested the Arbitral Tribunal to conclude proceedings within a time frame of 10 months. The statement of claims, counter statements and rejoinders were filed by both the parties. Thereafter, Two interim petitions for amendment to petitioner’s statement of claim and by Respondent under Section 17 of the Arbitration and Conciliation Act, 1996 for security to be furnished by the petitioner to the extent of Rs. 4.5 crores and an order for injunction restraining the Petitioner from dealing with assets, properties and bank accounts. The arbitral reference was not concluded by September 2017 and thus, at the 11<sup>th</sup> meeting dated October 28 2017 parties mutually agreed to formally extend the time by a period of six months. However, in the 12<sup>th</sup> meeting on February 3 2018, the Respondent did not appear before the tribunal. The Petitioner filed a petition before the High Court of Calcutta for extension of a period of 1 year for the arbitrator to make and publish the award from the date of order. The matter is listed before the High Court of Calcutta.

**There are no litigations or legal actions, pending or taken, by any Ministry or Department of the Government or a statutory authority against our Promoters during the last 5 (five) years.**

There are no litigations or legal actions, pending or taken, by any Ministry or Department of the Government or a statutory authority against our Promoters during the last 5 (five) years.

**Pending proceedings initiated against our Company for economic offences.**

There are no pending proceedings initiated against our Company for economic offences.

**Inquiries, investigations etc. instituted under the Companies Act, 2013 or any previous companies enactment in the last 5 (five) years against our Company.**

There are no inquiries, investigations etc. instituted under the Companies Act or any previous companies enactment in the last 5 (five) years against our Company.

**Material Fraud against our Company in the last 5 (five) years**

There has been no material fraud committed against our Company in the last 5 (five) years.

**Fines imposed or compounding of offences for default**

There are no fines imposed or compounding of offences done in the last 5 (five) years immediately preceding the year of the Prospectus for the Company for default or outstanding defaults.

**Non-Payment of Statutory Dues**

There have been no defaults or outstanding defaults in the payment of statutory dues payable by the Company as of the date of the last audited financial statements of the Company.

**Amounts owed to small scale undertakings and other creditors**

As of March 31, 2018, our Company owes the following amounts to small scale undertakings, other creditors and material creditors:

Particulars	Number of creditors	Amount Involved (in ₹ Lakhs)
Micro, Small and Medium Enterprises	6	6.10
Material Creditors	4	2,219.92
Other Creditors	176	652.91

Particulars	Number of creditors	Amount Involved (in ₹ Lakhs)
<b>Total</b>	<b>186</b>	<b>2,878.93</b>

Details in relation to the amount owed by our Company to material creditors, small scale undertakings and other creditors as on March 31, 2018 are also available on [www.supershaktimetaliks.com](http://www.supershaktimetaliks.com).

*It is clarified that information provided on the website of our Company is not a part of this Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, would be doing so at its own risk.*

**Material developments occurring after last balance sheet date**

Except as disclosed elsewhere in this Prospectus, there have been no material developments that have occurred after the Last Balance Sheet Date.



## GOVERNMENT AND OTHER KEY APPROVALS

*Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the Issue or continue our business activities. In view of the approvals listed below, we can undertake the Issue and our current/proposed business activities and no further major approvals from any governmental/regulatory authority or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of the Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.*

*The main objects clause of the Memorandum of Association of the Company and the objects incidental, enable our Company to carry out its activities*

### **I. Approvals for the Issue:**

1. The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a resolution passed at its meeting held on May 04, 2018 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of our Company have, pursuant Section 62(1)(c) of the Companies Act, 2013, by a special resolution passed in the annual general meeting held on May 10, 2018 authorized the Issue.
3. In-principle approval dated June 22, 2018 from the BSE SME for listing of the Equity Shares issued by our Company pursuant to the Issue.
4. The ISIN of our Company is INE00SY01011.

### **II. Approvals pertaining to Incorporation, name and constitution of our Company:**

1. Certificate of Incorporation dated December 12, 2012 issued by the Registrar of Companies, West Bengal in the name of “Quentz Dealtrade Private Limited”.
2. A Certificate of Incorporation pursuant to change of name from “Quentz Dealtrade Private Limited” to “Supershakti Metaliks Private Limited” issued on November 12, 2014 by the Assistant Registrar of Companies, Kolkata.
3. A Fresh Certificate of Incorporation Consequent upon Conversion from Private Company to Public Company evidencing change of name from “Supershakti Metaliks Private Limited” to “Supershakti Metaliks Limited” issued on May 03, 2018 by the Registrar of Companies, Kolkata.
4. The Corporate Identification Number (CIN) of our Company is U28910WB2012PLC189128.

### **III. GENERAL APPROVALS**

1. Acknowledgement dated November 1, 2007 bearing no. 3143/SIA/IMO/2007 issued by Ministry of Commerce and Industry for receipt of Memorandum for proposed manufacturing of Steel Billets, Steel Wire Rods, Deformed Bars, Angle Channel and Non-Alloy & Alloy Steel Rolled Products.
2. Certificate of Importer-Exporter Code (IEC) bearing No.0216915007 dated September 14, 2016 which is valid until cancelled.
3. Certificate of Registration bearing no. IQSC201706027 dated June 19, 2017 issued by KVQA Certification Services Private Limited for Quality Management System Standard AS/NZS ISO 9001:2015/ISO 9001:2015. The registration is valid till June 18, 2020.
4. Certificate of Registration bearing no. IESC201706007 dated June 19, 2017 issued by KVQA Certification Services Private Limited for Quality Management System Standard AS/NZS ISO 14001:2015 & ISO



14001:2015. The registration is valid till June 18, 2020.

#### IV. BUSINESS RELATED APPROVALS

Sr. No.	Property Description	Licences/Approvals obtained	Date of Certificate	Date of Expiry
1.	Kanjilal Avenue, opp. DPL Zone “B” Substation, Durgapur – 713210	Certificate of Registration bearing Registration No. DGPO2/CLR/000007 issued by Assistant Labour Commissioner, Government of West Bengal under Contract Labour (Regulation and Abolition) Act, 1970 for following Contractors: i. Rajasthan Allied and Security Services Private Limited; ii. Mahendra Yadav; iii. Kamal Singh; and iv. Roy Enterprise.	September 5, 2016	-
		Agreement for the Supply of Electrical Energy at Extra High/High Voltage between Durgapur Projects Limited and the Company	February 12, 2018	The Agreement shall remain valid for a period of atleast 1 (one) year from the date of commencement of supply/revised supply and may continue till its determination
		Fire License bearing Registration No. 55580 of 2015/18 issued by West Bengal Fire Services under West Bengal Fire Services Act, 1950.	July 1, 2015	June 30, 2018
		Registration under Employees’ Provident Fund and Miscellaneous Provisions Act, 1952 bearing WB/DGP/39146	May 30, 2001	Valid Until Cancelled
		Registration under Employees State Insurance Corporation Act, 1948 bearing code no. 74000074520000699	March 12, 2010	Valid Until Cancelled
		License for running a factory bearing License No. 14908 and Registration No. 18-BD/X/99 issued by Chief Inspector for Factories, West Bengal under Factories Act, 1948.	January 14, 2016	December 31, 2018
		Consent to Operate bearing Consent Letter No. C0100854 issued under Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981.	December 23, 2016	April 30, 2019
		Certificate of Enlistment bearing No. 10033/2018-19/RENEW for the year 2018-19	June 9, 2018	March 31, 2019
		Certification of Verification bearing No. 083789 issued by office of controller of Legal Metrology.	July 27, 2017	July 27, 2019
		Certification of Verification bearing No. 483323 issued by office of controller of Legal Metrology.	November 27, 2017	November 26, 2018

Sr. No.	Property Description	Licences/Approvals obtained	Date of Certificate	Date of Expiry
		Certification of Verification bearing No. 483322 issued by office of controller of Legal Metrology.	November 27, 2017	November 26, 2018
2.	39, Shakespeare Sarani, 3rd Floor, Kolkata – 700017, West Bengal	Certificate of Enlistment under Kolkata Municipal Corporation Act, 1980 for the year 2018-19 i) Bearing License Registration no. 024651046832 as a supplier of Non-Food Items – Iron & Steel; ii) Bearing License Registration no. 024641046830 for the purpose of office of accounts and administration	May 16, 2018	March 31, 2019
		Registration Certificate bearing no. KL04172N2018000042 under West Bengal Shops and Establishment Rules, 1964	June 27, 2018	June 26, 2021






#### V. TAX RELATED APPROVALS

Sr. No.	Description	Authority	Registration Number	Date of Certificate	Date of Expiry
1.	Permanent Account Number (PAN)	Income Tax Department	AAACQ2986N	May 21, 2018	Valid until cancelled
2.	Registration Certification Form GST REG-06 for Goods and Service Tax.	Government of India	19AAACQ2986N1ZP <i>TIN under VAT:</i> 19809874083;  <i>Central Sales Tax Registration Number:</i> 19809874083;  <i>Central Excise Registration Number:</i> AAACQ2986NEM001;  <i>Service Tax Registration Number:</i> AAACQ2986NSD001	November 8, 2017  <i>Effective from:</i> July 1, 2017	Valid until cancelled

3. The Company has obtained Certificate of Registration bearing Registration Certificate No.: 191000978445 and Certificate of Enrolment bearing Enrolment Certificate No.: 192006738659 under West Bengal State Tax on Professions, Trade, Calling and Employments Rule, 1979.

4. The Company has obtained Tax Deduction Account Number (TAN) bearing CALS37943D.

## VI. INTELLECTUAL PROPERTY

Sr. No.	Particulars of Intellectual Property	Mark Type	Proprietor's Name	Status	Valid Upto	Application No.	Class
6.	SUPER SHAKTI, SS DEVICE OF TMT BARS (LABELS) 	Device	Super Smelters Limited <sup>#</sup>	Registered	July 5, 2026	1467266	6
7.	SUPER SHAKTI 	Device	Super Smelters Limited <sup>#</sup>	Registered	November 22, 2022	2431526	6
8.	SUPER SHAKTI 	Device	Super Smelters Limited <sup>#</sup>	Registered	December 31, 2026	3447329	6
9.	SUPER SHAKTI 	Device	Super Smelters Limited <sup>#</sup>	Registered	November 22, 2022	2431529	14
10.	SUPER SHAKTI 	Device	Super Smelters Limited <sup>#</sup>	Registered	December 31, 2026	3447330	6

<sup>#</sup>In terms of the Scheme of Arrangement for demerger of “Durgapur Unit” of Super Smelters Limited to and in Supershakti Metaliks Private Limited and de-merger of “Koderma Unit” of Super Smelters Limited to and in Sai Electrocasting Private Limited (“**Scheme**”), as approved by Hon’ble High Court of Calcutta through by and under an Order dated June 14, 2016 inter-alia all trademarks and other intellectual property rights, registrations and no objection certificates obtained by Super Smelters Limited (“**SSL**”) for the operation of Durgapur Unit and/or to which SSL is entitled to in relation to the Durgapur Unit shall be available to vest in the Company post demerger and accordingly the Company shall also be entitled to enjoy the benefits of all such entitlements licences, permissions, approvals, clearances, authorisations, consents, intellectual property rights, registrations and no-objection certificates obtained by SSL for the operations of Durgapur Unit. Subsequently, vide a Memorandum of Understanding dated November 1, 2017 (“**MOU**”) executed between SSL, the Company (erstwhile as Supershakti Metaliks Private Limited) and Sai Electrocasting Private Limited (“**SEPL**”), the parties thereto have inter-alia agreed that SSL, the Company and SEPL are entitled to use brand ‘Super Shakti’ for selling their Products. For more details of Scheme of Arrangement please refer to chapter “**History and Certain Corporate Matter**” and “**Our Business**” on pages 114 and 90 of this Prospectus.

## VII. PENDING APPROVALS

1. The Company had obtained Fire License bearing Registration No. 55580 of 2015/18 issued by West Bengal Fire Services under West Bengal Fire Services Act, 1950 which was valid until June 30, 2018. The Company vide an application bearing Application Id IND/WB/FSL/20182019/40475 dated June 28, 2018 has applied for renewal of Fire License for its premises situated at Kanjlal Avenue, DPL, Zone B Substation, Durgapur, Ward - 30, Durgapur Municipal Corporation CD, Durgapur – 713 210.

## SECTION VIII – OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

Our Board of Directors have vide resolution dated May 04, 2018 authorized the Issue, subject to the approval by the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013.

The shareholders have authorized the Issue, by passing a Special Resolution at an Annual General Meeting held on May 10, 2018 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

The Offer for Sale has been authorised by the Selling Shareholders by their consent letter dated May 04, 2018. The no. of Equity Shares offered by each Selling Shareholders is as follows:

Sr. No.	Name of the Selling Shareholders	No. of Equity Shares Offered
1.	Crawford Plantations Private Limited	3,52,386
2.	M/s. Sitaram Agarwal (HUF)	1,21,354
3.	Mr. Sitaram Agarwal	77,003
4.	Mrs. Sabita Agarwal	67,092
5.	Mrs. Vibha Agarwal	52,169
6.	Mrs. Priti Agarwal	48,361
7.	M/s. Deepak Agarwal (HUF)	41,751
8.	M/s. Dilipp Agarwal (HUF)	39,884
	<b>Total</b>	<b>8,00,000</b>

The Selling Shareholders have severally confirmed that the Equity Shares proposed to be offered and sold in the Issue are eligible in term of SEBI (ICDR) Regulations and that they have not been prohibited from dealings in securities market and the Equity Shares offered and sold are free from any lien, encumbrance or third party rights. The Selling Shareholders have also severally confirmed that they are the legal and beneficial owners of the Equity Shares being offered by him under the Offer for Sale.

The Company has obtained approval from BSE vide letter dated June 22, 2018 to use the name of BSE in this Offer Document for listing of equity shares on the SME platform of the BSE. BSE is the designated stock exchange.

### Prohibition by SEBI, the RBI or Governmental Authorities

We confirm that there is no prohibition on our Company, the Selling Shareholders, its Directors, Promoters and entities forming part of our Promoter Group from accessing the capital market or operating in the capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Neither our Company, our Promoters, relatives of Promoters (as defined under Companies Act, 2013), our Directors, our Group Companies, nor the Selling Shareholders have been identified as wilful defaulters by the RBI or other authorities. The Selling Shareholders severally confirms that they have not been a Wilful Defaulter.

The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India.

### Association with Securities Market

We confirm that none of our Directors are associated with the Securities Market in any manner and no action has been initiated against these entities by SEBI at any time except as stated under the chapters titled “*Risk Factors*”, “*Our Promoters and Promoter Group*” and “*Outstanding Litigations and Material Developments*” beginning on page nos. 14, 131 and 178 respectively, of this Prospectus.

## Eligibility for the Issue

Our Company is an “Unlisted Company” in terms of the SEBI (ICDR) Regulation; and this Issue is an “Initial Public Issue” in terms of the SEBI (ICDR) Regulations.

This Issue is being made in terms of Regulation 106 (M) (1) of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post issue face value capital does not exceed ten crores rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of BSE).

We confirm that:

- a) In accordance with Regulation 106 (P) of the SEBI (ICDR) Regulations, this issue has been hundred percent underwritten and that the Lead Manager to the Issue has underwritten more than 15% of the total Issue Size. For further details pertaining to the said underwriting please see “General Information- Underwriting” on page no. 47 of this Prospectus.
- b) 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 (50), otherwise, the entire application money will be refunded / unblocked forthwith. If such money is not repaid / unblocked, then our Company and every officer in default shall be liable to repay / unblock such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.
- c) In accordance with Regulation 106(O) the SEBI (ICDR) Regulation, 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 Lead Manager 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.
- d) In accordance with Regulation 106(V) of the SEBI (ICDR) Regulations, we have entered into an agreement with the Lead Manager and the Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this Issue. For further details of the arrangement of Market Making, please see “General Information- Details of the Market Making Arrangements for this Issue” on page no. 53 of this Prospectus.

We further confirm that we shall be complying with all other requirements as laid down for such Issue under Chapter XB of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

- e) Our Company has Net Tangible assets of at least ₹ 3 crores as per the latest audited financial results;
- f) The Net worth (excluding revaluation reserves) of our Company is at least ₹ 3 crores as per the latest audited financial results;
- g) Our Company has track record of distributable profits in terms of Sec. 123 of Companies Act, 2013 for at least two years out of immediately preceding three financial years and each financial year has been a period of at least 12 months.
- h) The distributable Profit, Net tangible Assets and Net worth of our Company as per the restated financial statements for the year ended as at March 31, 2018, 2017 and 2016 is as set forth below:

(₹ in lakhs)

Particulars	FY 2017-18	FY 2016-17	FY 2015-16
Distributable Profit	1,238.08	57.84	71.85
Net Tangible Assets	5,568.06	4,299.15	4,236.66
Net Worth	5,459.99	4,221.91	4,164.07

<sup>(1)</sup> Distributable profits have been computed in terms section 123 of the Companies Act, 2013.

- (2) *Net Tangible Assets means the sum of total assets of our Company excluding intangible assets, current liabilities and deferred tax liabilities as defined in Accounting Standard 26 issued by the Institute of Chartered Accountants of India.*
- (3) *Net Worth has been computed as the aggregate of equity shares capital and reserves (excluding revaluation reserves) and after deducting miscellaneous expenditure not written off, if any.*
- i) As on the date of this Prospectus, our Company has a paid up capital of ₹ 496.24 lakhs (₹ 4.96 crores), which is in excess of ₹ 3 crore, and the Post Issue Capital will be of ₹ 576.26 lakhs (5.76 crores).
  - j) Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
  - k) There is no winding up petition against the company, which has been admitted by a Court of competent jurisdiction or a liquidator has not been appointed.
  - l) There has been no change in the Promoter(s) of the Company in the preceding one year from date of filing application to BSE for listing on SME segment.
  - m) Our company shall mandatorily facilitate trading in demat securities and enter into an agreement with both the depositories.
  - n) We have a website: [www.supershaktimetalliks.com](http://www.supershaktimetalliks.com)
  - o) We are not a Stock / Commodity Broking Company
  - p) We are not a Finance Company.
  - q) None of the Directors of our Company have been categorised as a Wilful Defaulter

#### **Disclosure**

The Company, the Directors, the Selling Shareholders, our Promoters, Promoter Group and the members of our Group Companies have confirmed that they have not been identified as wilful defaulters by the RBI or any other Governmental Authority.

#### **Disclaimer Clause of SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKER, ARYAMAN FINANCIAL SERVICES LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY AND THE SELLING SHAREHOLDERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE PROSPECTUS, THE LEAD MERCHANT BANKER ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDERS DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, ARYAMAN FINANCIAL SERVICES LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED JULY 05, 2018.**



AS PER REGULATION 106(O) OF THE SEBI ICDR REGULATIONS, ONLY THE PROSPECTUS HAS TO BE FILED WITH SEBI ALONGWITH A DUE DILIGENCE CERTIFICATE AS PER FORM A OF SCHEDULE VI OF THE SEBI ICDR REGULATIONS BY THE LEAD MANAGER. WE, THE LEAD MANAGER TO THE ABOVE MENTIONED ISSUE, STATE AND CONFIRM AS FOLLOWS:

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE PROSPECTUS PERTAINING TO THE SAID ISSUE;
2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, 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 COMPANY, WE CONFIRM THAT:
  - A. THE PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;
  - B. ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
  - C. THE DISCLOSURES MADE IN THE PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, THE COMPANIES ACT, 2013 (TO THE EXTENT NOTIFIED), 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 FULFIL THEIR UNDERWRITING COMMITMENTS. – NOTED FOR COMPLIANCE
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 PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING OF 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 AUDITOR'S 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 COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – NOT APPLICABLE

8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY 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 COMPANY 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 WITH 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 73 OF THE COMPANIES ACT, 1956 (SECTION 40 OF 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 COMPANY SPECIFICALLY CONTAINS THIS CONDITION. – NOTED FOR COMPLIANCE. ALL MONIES RECEIVED OUT OF THE ISSUE SHALL BE CREDITED/ TRANSFERRED TO A SEPARATE BANK ACCOUNT AS REFERRED TO IN SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013.
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. UNDER SECTION 29 OF THE COMPANIES ACT, 2013, THE EQUITY SHARES ARE TO BE ISSUED IN DEMAT ONLY
11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE PROSPECTUS:
  - A. AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY, AND
  - B. AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE – NOTED FOR COMPLIANCE.
14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF

**THE COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.**

- 15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.**
- 16. WE ENCLOSE STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR (PLEASE SEE “ANNEXURE A” FOR FURTHER DETAILS).**
- 17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS – COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS CERTIFIED BY PEER REVIEW AUDITORS PURSUANT TO ITS REPORT DATED JUNE 18, 2018.**

**THE FILING OF THIS OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER SECTION 63 OR SECTION 68 OF THE COMPANIES ACT, 1956 (SECTION 34 OR SECTION 36 OF THE COMPANIES ACT, 2013) OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MERCHANT BANKERS ANY IRREGULARITIES OR LAPSES IN THE OFFER DOCUMENT.**

**Note:**

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the RoC in terms of section 23, 26 and 28 of the Companies Act, 2013.

**ADDITIONAL CONFIRMATIONS/ CERTIFICATIONS 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 OFFER DOCUMENT HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.**
- 2. WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE COMPANY HAVE BEEN MADE IN PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE COMPANY 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 COMPANY.**

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.**

**Disclaimer Clause of the SME Platform of BSE**

“BSE Limited ("BSE") has given vide its letter dated June 22, 2018, 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
- iii. take any responsibility for the financial or other soundness of this Company, its promoter, 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”.

**Disclaimer from our Company, the Selling Shareholders and the Lead Manager**

Our Company, its Directors, the Selling Shareholders and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

**CAUTION**

The Lead Manager accepts no responsibility, save to the limited extent as provided in the MoU for Issue Management entered into among the Lead Manager, our Company and the Selling Shareholders dated May 10, 2018 and addendum dated June 21, 2018, the Underwriting Agreement dated May 10, 2018 and addendum dated June 21, 2018 entered into among the Underwriter and our Company, the Selling Shareholders and the Market Making Agreement dated May 10, 2018 and addendum dated June 21, 2018, entered into among the Market Maker, Lead Manager and our Company.

All information shall be made available by us and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centres or elsewhere.

**Note:**

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, 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 of our Company and will not issue, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Selling Shareholders, the Underwriter and their

respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

#### **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, except through their legal guardian), Hindu Undivided Families (HUFs), companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), Trusts registered under the Societies Registration Act, 1860, as amended from time to time, or any other trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds and to non-residents including NRIs and FIIs. The Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Prospectus comes is required to inform 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 Mumbai only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and the Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been any 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.

#### **Disclaimer Clause under Rule 144A of the U.S. Securities Act**

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to “qualified institutional buyers”, as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

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 Applicants may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

#### **Filing**

The Prospectus shall not be filed with SEBI, nor will SEBI issue any observation on the offer document in term of Reg. 106 (O) (1). However, a copy of the Prospectus shall be filed with SEBI at L&T Chambers, 3rd Floor, 16 Camac Street, Kolkata - 700017, West Bengal.

A copy of the Prospectus, along with the documents required to be filed under Section 26 and 28 of the Companies Act, 2013 will be delivered to the RoC situated at Nizam Palace, 2<sup>nd</sup> MSO Building, 2<sup>nd</sup> Floor, 234/4, A.J.C. Bose Road, Kolkata - 700020.

#### **Listing**

Application shall be made to SME Platform of BSE for obtaining permission for listing of the Equity Shares being offered and sold in the Issue on its SME Platform after the allotment in the Issue. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by BSE, our Company and the Selling Shareholders shall forthwith repay, without interest, all moneys received

from the applicants in pursuance of the Prospectus. The allotment letters shall be issued or application money shall be refunded / unblocked within eight days from the closure of the Issue or such lesser time as may be specified by Securities and Exchange Board or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of fifteen per cent per annum for the delayed period as prescribed under Companies Act, 2013, the SEBI (ICDR) Regulations and other applicable law.

Our Company and the Selling Shareholders shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE mentioned above are taken within 6 Working Days of the Issue Closing Date.

Our Company has obtained approval from BSE vide letter dated June 22, 2018 to use the name of BSE in this Offer document for listing of equity shares on SME Platform of BSE.

**Price Information of past issues handled by the Lead Manager**

<i>Sr. No.</i>	<i>Issue Name</i>	<i>Issue size (₹Cr.)</i>	<i>Issue Price (₹)</i>	<i>Listing date</i>	<i>Opening price on listing date</i>	<i>+/- % change in Price on closing price, [+/- % change in closing benchmark]- 30<sup>th</sup> calendar days from listing</i>		<i>+/- % change in Price on closing price, [+/- % change in closing benchmark]- 90<sup>th</sup> calendar days from listing</i>		<i>+/- % change in Price on closing price, [+/- % change in closing benchmark]- 180<sup>th</sup> calendar days from listing</i>	
1.	Garv Industries Limited	3.20	10.00	25/04/2018	10.00	-10.00%	1.23%	N.A.	N.A.	N.A.	N.A.
2.	Giriraj Civil Developers	9.00	100.00	02/04/2018	101.00	1.00%	4.96%	33.75%	4.92%	N.A.	N.A.
3.	Yasho Industries Limited	28.99	100.00	02/04/2018	106.00	6.00%	5.78%	6.00%	6.52%	N.A.	N.A.
4.	Karda Constructions Limited	77.40	180.00	02/04/2018	136.00	4.03%	5.78%	-3.36%	6.52%	N.A.	N.A.
5.	Uravi T and Wedge Lamps Limited	15.00	100.00	28/3/2018	102.50	3.00%	5.72%	5.00%	6.48%	N.A.	N.A.
6.	Advitya Trade India Limited	4.31	15.00	26/3/2018	15.01	75.33%	4.34%	11.00%	6.71%	N.A.	N.A.
7.	Shreeshay Engineers Limited	5.40	15.00	21/03/2018	15.25	20.00%	3.86%	20.00%	6.49%	N.A.	N.A.
8.	CKP Leisure Ltd.	11.54	30.00	06/03/2018	27.00	6.67%	0.74%	-29.17%	3.70%	N.A.	N.A.
9.	Banka BioLoo Ltd	12.63	115.00	27/02/2018	114.00	-7.83%	-4.17%	-17.39%	1.27%	N.A.	N.A.
10.	Medico Remedies Limited	10.99	100.00	08/02/2018	100.00	-3.00%	-3.21%	-2.50%	2.63%	N.A.	N.A.

## Summary Statement of Disclosure

Financial Year	Total no. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPOs trading at discount - 30 <sup>th</sup> calendar day from listing day			Nos. of IPOs trading at premium - 30 <sup>th</sup> calendar day from listing day			Nos. of IPOs trading at discount - 180 <sup>th</sup> calendar day from listing day			Nos. of IPOs trading at premium - 180 <sup>th</sup> calendar day from listing day		
			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%
2018-19	4 <sup>(1)</sup>	118.59	-	-	1	-	-	3	-	-	-	-	-	-
2017-18	16	318.24	1	1	4	1	1	8	-	1	1	-	-	4
2016-17	10	147.26	-	1	-	1	-	8	-	1	-	2	3	4
2015-16	3	15.90	-	-	-	-	-	3	-	-	-	1	1	1

<sup>(1)</sup> Details indicated in 2018-19 are for the IPOs completed as on date.

### Notes:

- Since the listing date of Garv Industries Limited was April 25, 2018, information related to closing price and benchmark index as on the 90th calendar day and 180th calendar day from the listing date is not available.
- Since the listing date of Giriraj Civil Developers, Yasho Industries Limited, Karda Constructions Limited, Uravi T and Wedge Lamps Limited, Advitya Trade India Limited, Shreeshay Engineers Limited, CKP Leisure Limited., Banka BioLoo Limited, and Medico Remedies Limited, was April 02, 2018, April 02, 2018, April 02, 2018, March 28, 2018, March 26, 2018, March 21, 2018, March 06, 2018, February 27, 2018 and February 08, 2017, respectively information related to closing price and benchmark index as on the 180th calendar day from the listing date is not available.
- The respective Designated Stock Exchange for each Issue has been considered as the Benchmark index for each of the above Issues.
- In the event any day falls on a holiday, the price/index of the immediate preceding working day has been considered. If the stock was not traded on the said calendar days from the date of listing, the share price is taken of the immediately preceding trading day.
- Source: [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) and BSE Sensex and NSE Nifty as the Benchmark Index.



## Track record of past issues handled by the Lead Manager

For details regarding the track record of the Lead Manager to the Issue as specified in Circular reference CIR/MIRSD/1/ 2012 dated January 10, 2012 issued by the SEBI, please see the website of Aryaman Financial Services Limited – [www.afsl.co.in](http://www.afsl.co.in)

## Consents

Consents in writing of: (a) the Selling Shareholders, the Directors, the Company Secretary and Compliance Officer, the Chief Financial Officer, the Statutory Auditors and Bankers to the Company; and (b) the Lead Manager to the Issue, Registrar to the Issue, the Legal Advisors to the Issue, Banker to the Issue, Share Escrow Agent, Market Maker and Underwriters to act in their respective capacities, have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Section 26, 28 and other applicable provisions of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, Singhi & Co., Chartered Accountant, Statutory Auditors, have provided their written consent to the inclusion of their report dated June 18, 2018 on Restated Financial Statements and their report dated June 18, 2018 on Statement of Tax Benefits, which may be available to the Company and its shareholders, included in this Prospectus in the form and context in which they appear therein and such consents and reports have not been withdrawn up to the time of filing of this Prospectus.

## Expert Opinion

Our Company has received written consent from its Statutory Auditor namely, Singhi & Co., Chartered Accountants to include their name as required under section 26(1)(a)(v) of the Companies Act, 2013 in this Prospectus and as “Expert” as defined under section 2(38) of the Companies Act, 2013 in respect of the reports on the Restated Financial Statements dated June 18, 2018 and Statement of Tax Benefits dated May 10, 2018, issued by them, included in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

## ISSUE RELATED EXPENSES

The expenses of this Issue include, among others, underwriting and management fees, Market Making Fees, selling commissions, SCSB's commission/ fees, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees and listing fees is given below:

(₹ in lakhs)

Sr. No.	Particulars	Amount	% of Total Expenses	% of the Total Issue Size
1.	Issue Management fees including fees and payment to other intermediaries such as Legal Advisors, Registrars, Stock Exchanges, and other out of pocket expenses.	41.20	50.12%	0.69%
2.	Brokerage and Selling Commission, Underwriting Commission, RTAs and CDPs <sup>(1)(2)(3)(4)</sup>	30.00	36.50%	0.50%
3.	Advertisement, Printing & Stationery, Marketing Expenses, etc.	4.00	4.87%	0.07%
4.	Market Regulatory & Other Expenses	7.00	8.52%	0.12%
	<b>Total</b>	<b>82.20</b>	<b>100.00</b>	<b>1.37%</b>

<sup>(1)</sup> Selling commission payable to SCSBs, members of the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs, would be of 0.01% of the Amount Allotted (product of the number of Equity Shares Allotted and the Issue Price) for the forms directly procured by them and uploaded on the electronic system of the Stock Exchange by them.

- (2) *SCSBs will be entitled to a processing fee of ₹ 10 (plus applicable GST) per valid Bid cum Application Form, for processing the Bid cum Application Form procured by the members of the Syndicate (including their sub-Syndicate Members), the Registered Brokers, CRTAs or CDPs and submitted to the SCSBs for blocking of funds.*
- (3) *Registered Brokers will be entitled to a commission of ₹ 10 (plus applicable GST) per valid Bid cum Application Form directly procured by the Registered Brokers from Retail Individual Investors and Non-Institutional Bidders and submitted to the SCSBs for processing.*
- (4) *The payment towards commission and processing fees will be completed within 30 days from the date of receipt of final invoice from the respective entities.*

#### **Fees, Brokerage and Selling Commission Payable to the Lead Manager**

The total fees payable to the Lead Manager (including underwriting commission and selling commission) is as stated in the MOU dated May 10, 2018 and addendum dated June 21, 2018, the Underwriting Agreement dated May 10, 2018 and addendum dated June 21, 2018 and the Market Making Agreement dated May 10, 2018 and addendum dated June 21, 2018 among our Company, the Selling Shareholders and the Lead Manager and other parties, a copy of which will be made available for inspection at our Registered Office.

#### **Fees Payable to the Registrar to the Issue**

The fees payable to the Registrar to the Issue, for processing of application, data entry, printing of refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the MoU between the Company, and the Registrar to the Issue dated May 10, 2018.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send refund orders or Allotment advice by registered post/speed post.

#### **CAPITAL ISSUE DURING THE LAST FIVE YEARS**

##### **Previous Public and Rights Issues**

We have not made any rights and public issues in the past, and we are an “Unlisted Company” 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 Equity Shares otherwise than for Cash**

Except as stated in the chapter titled “*Capital Structure*” beginning on page no. 55 of this Prospectus, we have not issued any Equity Shares for consideration other than for cash.

##### **Commission and Brokerage Paid on Previous Issues of our Equity Shares**

Since this is an Initial Public Offer of the 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 the Equity Shares since inception of the Company.

##### **Capital Issues in the last three (3) years by Listed Group Companies / Subsidiaries / Associates**

None of our Group Companies / Associates is listed on any Stock Exchange and hence there is no Capital Issue. Further, we do not have any subsidiary as on date of this Prospectus.

#### **PERFORMANCE VIS-À-VIS OBJECTS**

##### **Issuer Company**

Our Company has not made any public issue (including any rights issue to the public) since its incorporation.

### **Listed Group Companies / Subsidiaries / Associate Companies**

None of our Group Companies / Associates are listed on any Stock Exchange and have not made any rights and public issues in the past ten (10) years. Further, we do not have any subsidiary as on date of this Prospectus.

### **OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY THE COMPANY**

The Company has no outstanding debentures or bonds and redeemable preference shares and other instruments as on the date of Prospectus.

### **Stock Market Data for our Equity Shares**

This being an initial public offer of the Company, the Equity Shares of the Company are not listed on any stock exchange.

### **DISPOSAL OF INVESTOR GRIEVANCES**

#### **Mechanism for Redressal of Investor Grievances**

The Company and the Selling Shareholders have appointed Bigshare Services Private Limited as the Registrar to the Issue, to handle the investor grievances in co-ordination with the Compliance Officer of the Company. All grievances relating to the present Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

The Registrar to the Issue will handle investor's grievances pertaining to the Issue. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be co-coordinating with the Registrar to the Issue in attending to the grievances to the investor.

All grievances relating to the ASBA process may be addressed to the SCSBs, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Issue or the SCSBs for the redressal of routine investor grievances will be seven business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

Our Board by a resolution on May 10, 2018 constituted a Stakeholders Relationship Committee. The composition of the Stakeholders Relationship Committee is as follows:

<b>Name of the Member</b>	<b>Nature of Directorship</b>	<b>Designation in Committee</b>
Mr. Deepak Agarwal	Non Executive Director	Chairman
Mr. Ajay Kumar Bajaj	Whole-time Director	Member
Mrs. Bhawna Khanna	Non Executive Independent Director	Member

For further details, please see the chapter titled "*Our Management*" beginning on page no. 118 of this Prospectus.

The Company has also appointed Mr. Navin Agarwal as the Company Secretary and Compliance Officer for this Issue and he may be contacted at the Registered Office of our Company.

**Name:** Mr. Navin Agarwal

**Address:** 39, Shakespeare Sarani, 3<sup>rd</sup> Floor, Kolkata - 700017

**Tel No.:** +91 33 2289 2734/35

**Fax No.:** +91 33 2289 2736

**Email:** info@ssml.in

Investors can contact the Compliance Officer or the Registrar to the Issue 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 accounts and refund orders.

#### **Status of Investor Complaints**

We confirm that we have not received any investor complaint during the three years preceding the date of the Draft Prospectus and also there are no pending investor complaints as on the date of the Prospectus.

#### **Disposal of Investor Grievances by Listed Companies under the same Management as the Company**

No company under the same management as the Company has made any public issue (including any rights issues to the public) during the last three years and hence there are no pending investor grievances.

#### **Change in Auditors**

Except for appointment of M/s. Singhi & Co., Chartered Accountants in place of M/s. Tekriwal & Associates, Chartered Accountants vide Resolution passed in the EGM dated August 16, 2016; there has been no change in the auditors in last three years.

#### **Capitalisation of Reserves or Profits**

Except as stated in the chapter titled “*Capital Structure*” beginning on page no. 55 of this Prospectus, our Company has not capitalised our reserves or profits during the last five years.

#### **Revaluation of Assets**

We have not re-valued our assets in the last 5 years.

## SECTION IX – ISSUE RELATED INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being offered and transferred pursuant to this Issue are subject to the provisions of the Companies Act, SEBI (ICDR) Regulations, 2009, our Memorandum and Articles of Association, the terms of this Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of this Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable, or such other conditions as may be prescribed by SEBI, RBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Issue.*

#### Authority for the Issue

This Issue of Equity Shares has been authorized by the Board of Directors of our Company at their meeting held on May 04, 2018 and was approved by the Shareholders of the Company by passing a Special Resolution at the Annual General Meeting held on May 10, 2018 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

The Offer for Sale has been authorised by the Selling Shareholders by their consent letter dated May 04, 2018. The numbers of Equity Shares offered by each Selling Shareholders are as follows:

Sr. No.	Name of the Selling Shareholders	No. of Equity Shares Offered
1.	Crawford Plantations Private Limited	3,52,386
2.	M/s. Sitaram Agarwal (HUF)	1,21,354
3.	Mr. Sitaram Agarwal	77,003
4.	Mrs. Sabita Agarwal	67,092
5.	Mrs. Vibha Agarwal	52,169
6.	Mrs. Priti Agarwal	48,361
7.	M/s. Deepak Agarwal (HUF)	41,751
8.	M/s. Dilipp Agarwal (HUF)	39,884
	<b>Total</b>	<b>8,00,000</b>

The Selling Shareholders have severally confirmed that the Equity Shares proposed to be offered and sold in the Issue are eligible in term of SEBI (ICDR) Regulations and that they have not been prohibited from dealings in securities market and the Equity Shares offered and sold are free from any lien, encumbrance or third party rights. The Selling Shareholders have also severally confirmed that they are the legal and beneficial owners of the Equity Shares being offered by them under the Offer for Sale.

#### Offer for Sale

The Issue comprises of a Fresh Issue and an Offer for Sale by the Selling Shareholders. The fees and expenses relating to the Issue shall be shared in the proportion mutually agreed between the Company and the respective Selling Shareholders in accordance with applicable law. However, for ease of operations, expenses of the Selling Shareholders may, at the outset, be borne by our Company on behalf of the Selling Shareholders and the Selling Shareholders agree that they will reimburse our Company all such expenses.

#### Ranking of Equity Shares

The Equity Shares being issued and transferred pursuant to the Issue shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association and shall rank pari-passu in all respects including dividend with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment.

For further details, please see the section titled *"Main Provisions of the Articles of Association"* beginning on page no. 261 of this Prospectus.

### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013, the Memorandum and Articles of Association and recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. In respect of the Offer for Sale, all dividends, if any, declared by our Company after the date of Allotment, will be payable to the Applicants who have been issued and allotted Equity Shares in such Issue for the entire year. For further details, please refer the chapter titled *"Dividend Policy"* and *"Main Provisions of Article of Association"* beginning on page nos. 144 and 261 of this Prospectus.

### **Face Value and Issue Price**

The Equity Shares having a face value of ₹ 10 each are being offered in terms of this Prospectus at the price of ₹ 375/- per Equity Share. The Issue Price is decided by our Company and the Selling Shareholders, in consultation with the Lead Manager and is justified under the section titled *"Basis of Issue Price"* beginning on page no. 74 of this Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

### **Compliance with the disclosure and accounting norms**

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations. Our Company shall also comply with all disclosure and accounting norms as specified by SEBI from time to time.

### **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- ✓ Right to receive dividend, if declared;
- ✓ Right to attend general meetings and exercise voting rights, unless prohibited by law;
- ✓ Right to vote on a poll either in person or by proxy;
- ✓ Right to receive offer for rights shares and be allotted bonus shares, if announced;
- ✓ Right to receive surplus on liquidation;
- ✓ Right of free transferability; and
- ✓ Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, the Listing Regulations and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien and / or consolidation / splitting, etc., please refer the section titled *"Main Provisions of Articles of Association"* beginning on page no. 261 of this Prospectus.

### **Minimum Application Value; Market Lot and Trading Lot**

In terms of Section 29 of Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar and Share Transfer Agent to the Issue:

1. Tripartite agreement dated June 19, 2018 between our Company, NSDL and the Registrar and Share Transfer Agent to the Issue.
2. Tripartite agreement dated June 15, 2018 between our Company, CDSL and the Registrar and Share Transfer Agent to the Issue.



Trading of the Equity Shares will happen in the minimum contract size of 300 Equity Shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012 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 Issue will be done in multiples of 300 Equity Share subject to a minimum allotment of 300 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 6 Working days of closure of Issue.

#### **Joint Holders**

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

#### **Nomination Facility to Investor**

In accordance with Section 72 (1) & 72 (2) of the Companies Act, 2013, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 (3) of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in accordance to Section 72 (4) of the Companies Act, 2013, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Articles of Association of the Company, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- ✓ to register himself or herself as the holder of the Equity Shares; or
- ✓ to make such transfer of the Equity Shares, as the deceased holder could have made

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 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. In case the allotment of Equity Shares is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

#### **Withdrawal of the Issue**

Our Company and the Selling Shareholders, in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-issue advertisements were published, within two days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one day of receipt of such notification. Our Company shall also promptly inform the Stock Exchange on which the Equity Shares were proposed to be listed.



If our Company and/or the Selling Shareholders withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an Issue of the Equity Shares, our Company shall file a fresh Draft Offer Document. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment.

## ISSUE PROGRAMME

An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
Issue Opening Date	July 17, 2018
Issue Closing Date	July 20, 2018
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or before July 25, 2018
Initiation of Refunds/ unblocking of funds from ASBA Account	On or before July 26, 2018
Credit of Equity Shares to demat accounts of Allottees	On or before July 27, 2018
Commencement of trading of the Equity Shares on the Stock Exchange	On or before July 30, 2018

The above timetable is indicative and does not constitute any obligation on our Company or Selling Shareholder or the Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company, or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Applications and any revision to the same shall be accepted only between 10.00 a.m. and 5.00 p.m. (IST) during the Issue Period (except for the Issue Closing Date). On the Issue Closing Date, the Applications and any revision to the same shall be accepted between 10.00 a.m. and 3.00 p.m. (IST) or such extended time as permitted by the Stock Exchanges, in case of Applications by Retail Individual Applicants after taking into account the total number of applications received up to the closure of timings and reported by the Lead Manager to the Stock Exchanges. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Applicants are advised to submit their Applications one day prior to the Issue Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this Prospectus are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, as is typically experienced in public offerings, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Applications will be accepted only on Business Days. Neither our Company nor the Selling Shareholders nor the Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

In accordance with the SEBI Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their Applications (in terms of the quantity of the Equity Shares or the Applications Amount) at any stage. Retail Individual Applicants can revise or withdraw their Applications prior to the Issue Closing Date. Except Allocation to Retail Individual Investors, Allocation in the Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-a-vis the data contained in the physical Application Form, for a particular Applicant, the details as per the file received from the Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-a-vis the data contained in the physical or electronic Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / Stock Brokers, as the case may be, for rectified data.

### **Minimum Subscription**

The requirement for 90% minimum subscription in terms of Regulation 14 of the ICDR Regulations is not applicable to the Issue. In terms of Regulation 106P(1) of the ICDR Regulations, the Issue is not restricted to any minimum subscription level and is 100% underwritten. Further, pursuant to Regulation 106R of the ICDR Regulations, our Company shall ensure that the number of prospective allottees to whom Equity Shares will be allotted shall not be less than 50.

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. However, we shall ensure that the minimum subscription to be received shall be subject to allotment of minimum number of specified securities as prescribed in sub-clause (b) of clause (2) of rule 19 of Securities Contracts (Regulation) Rules, 1957 and also that the minimum number of allottees as prescribed in regulation 106R of the SEBI (ICDR) Regulations, 2009, as amended.

### **Arrangements for Disposal of Odd Lots**

The trading of the Equity Shares will happen in the minimum contract size of 300 shares. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME platform of BSE.

### **Restrictions, if any, on transfer and transmission of shares or debentures and on their consolidation or splitting**

For a detailed description in respect of restrictions, if any, on transfer and transmission of shares and on their consolidation /splitting, please refer the section titled “*Main Provisions of the Articles of Association*” beginning on page no. 261 of this Prospectus.

### **New Financial Instruments**

Our Company is not issuing any new financial instruments through this Issue.

### **Option to receive Equity Shares in Dematerialized Form**

As per Section 29(1) of the Companies Act, 2013, allotment of Equity Shares will be made only in dematerialized form.

As per SEBI’s circular RMB (compendium) series circular no. 2 (1999-2000) dated February 16, 2000, it has been decided by the SEBI that trading in securities of companies making an initial public offer shall be in Dematerialised form only. The Equity Shares on Allotment will be traded only on the dematerialized segment of the SME Platform of BSE.

### **Migration to Main Board**

In accordance with the BSE Circular dated November 26, 2012, our Company will have to be mandatorily listed and traded on the SME Platform of the BSE for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board of the BSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter XB of the SEBI (ICDR) Regulations.

As per the provisions of the Chapter XB of the SEBI (ICDR) Regulation, 2009, our Company may migrate to the main board of BSE from the SME Exchange on a later date subject to the following:

- If the Paid up Capital of the company is likely to increase above ₹ 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), we shall have to apply to BSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

- If the Paid up Capital of the company is more than ₹ 10 crores but below ₹ 25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

### **Market Making**

The shares offered through this Issue are proposed to be listed on the SME Platform of BSE (SME Exchange), wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Maker of the SME Exchange for a minimum period of three years from the date of listing on the SME Platform of BSE.

For further details of the agreement entered into between our Company, the Lead Manager and the Market Maker, please refer the chapter titled *"General Information - Details of the Market Making Arrangement for this Issue"* beginning on page no. 53 of this Prospectus.

### **Jurisdiction**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Mumbai. The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106 (M) (1) of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, a Company whose post issue/Issue face value capital does not exceed ten crore rupees, shall issue/Issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the SME Platform of BSE). For further details regarding the salient features and terms of such this Issue, please refer the chapters titled "Terms of the Issue" and "Issue Procedure" beginning on page nos. 72 and 214 respectively, of this Prospectus.

### Issue Structure:

*Initial Public Offer of 16,00,200 Equity Shares of ₹ 10 each (the "Equity Shares") for cash at a price of ₹ 375/- per Equity Share (including a Share premium of ₹ 365/- per Equity Share) aggregating to ₹ 6,000.75 lakhs ("the Issue") by Supershakti Metaliks Limited ("SML" or the "Company").*

*The Issue comprises a Net Issue to Public of 15,19,800 Equity Shares of face value of ₹ 10/- each ("the Net Issue"), and a reservation of 80,400 Equity Shares of face value of ₹ 10/- each for subscription by the designated Market Maker ("the Market Maker Reservation Portion"). The Issue and the Net Issue will constitute 27.77% and 26.37%, respectively of the post issue paid up equity share capital of the company. The issue is being made through the Fixed Price Process:*

Particulars of the Issue	Net Issue to Public	Market Maker Reservation Portion
Number of Equity Shares available for allocation	15,19,800 Equity Shares	80,400 Equity Shares
Percentage of Issue Size available for allocation	94.98% of the Issue Size	5.02% of the Issue Size
Basis of Allotment	Proportionate subject to minimum allotment of 300 Equity Shares and further allotment in multiples of 300 Equity Shares each. For further details please refer to the "Basis of Allotment" on page no. 249 of this Prospectus.	Firm Allotment
Minimum Application Size	<p><i>For QIB and NII:</i></p> <p>Such number of Equity Shares in multiples of 300 Equity Shares such that the Application Value exceeds ₹ 2,00,000</p> <p><i>For Retail Individuals:</i></p> <p>300 Equity Shares</p>	80,400 Equity Shares
Maximum Application Size	<p><i>For QIB and NII:</i></p> <p>Such number of Equity Shares in multiples of 300 Equity Shares such that the Application Size does not exceed 15,19,800 Equity Shares.</p> <p><i>For Retail Individuals:</i></p> <p>Such number of Equity Shares in multiples of 300 Equity Shares such that the Application Value does not exceed ₹ 2,00,000</p>	80,400 Equity Shares
Mode of Allotment	Dematerialized Form	Dematerialized Form
Trading Lot	300 Equity Shares	300 Equity Shares, However the Market Maker may accept odd lots if

Particulars of the Issue	Net Issue to Public	Market Maker Reservation Portion
		any in the market as required under the SEBI (ICDR) Regulations, 2009.
Terms of Payment	The entire Application Amount will be payable at the time of submission of the Application Form.	
Application Lot Size	300 Equity Shares and in multiples of 300 Equity Shares thereafter	

- 1) 50 % of the Equity Share offered are reserved for allocation to Applicants below or equal to ₹ 2.00 lakhs and the balance for higher amount Applications.
- 2) In case of joint Applications, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. 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.
- 3) Applicants will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders name, the Lead Manager, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares in this Issue.
- 4) SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.

#### Lot Size

SEBI vide circular CIR/MRD/DSA/06/2012 dated February 21, 2012 (the “Circular”) standardized the lot size for Initial Public Offer proposing to list on SME exchange/platform and for the secondary market trading on such exchange/platform, as under:

Issue Price (in ₹)	Lot Size (No. of shares)
Upto 14	10000
More than 14 upto 18	8000
More than 18 upto 25	6000
More than 25 upto 35	4000
More than 35 upto 50	3000
More than 50 upto 70	2000
More than 70 upto 90	1600
More than 90 upto 120	1200
More than 120 upto 150	1000
More than 150 upto 180	800
More than 180 upto 250	600
More than 250 upto 350	400
More than 350 upto 500	300
More than 500 upto 600	240
More than 600 upto 750	200
More than 750 upto 1000	160
Above 1000	100

Further to the Circular, at the Initial Public Offer stage the Registrar to Issue in consultation with Lead Manager, our Company and BSE shall ensure to finalize the basis of allotment in minimum lots and in multiples of minimum lot size, as per the above given table. The secondary market trading lot size shall be the same, as shall be the IPO Lot Size at the application/allotment stage, facilitating secondary market trading.

## ISSUE PROCEDURE

*All Applicants should review the General Information Document for Investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI ("General Information Document"), included below under "Part B - General Information Document", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations. The General Information Document has been updated to 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 would be made available with the Lead Manager and would also be made available on the websites of the Stock Exchanges and the Lead Manager before opening of Issue. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.*

*Our Company, the Selling Shareholders and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and shall not be liable for any amendment, modification or change in the applicable law which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that their Applications are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Prospectus.*

*Please note that all the Applicants can participate in the Issue only through the ASBA process. All Applicants shall ensure that the ASBA Account has sufficient credit balance such that the full Application Amount can be blocked by the SCSB at the time of submitting the Application. Applicants applying through the ASBA process should carefully read the provisions applicable to such applications before making their application through the ASBA process. Please note that all Applicants are required to make payment of the full Application Amount along with the Application Form. In case of ASBA Applicants, an amount equivalent to the full Application Amount will be blocked by the SCSBs.*

*ASBA Applicants are required to submit ASBA Applications to the Selected Branches / Offices of the RTAs, DPs, Designated Bank Branches of SCSBs. The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Application Form, please refer the above mentioned SEBI link. The list of Stock Brokers, Depository Participants ("DP"), Registrar to an Issue and Share Transfer Agent ("RTA") that have been notified by BSE Ltd to act as intermediaries for submitting Application Forms are provided on <http://www.bseindia.com>. For details on their designated branches for submitting Application Forms, please see the above mentioned BSE website.*

*Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, the ASBA process become mandatory for all investors w.e.f. January 1, 2016 and it allows the registrar, share transfer agents, depository participants and stock brokers to accept application forms.*

### PART A

#### FIXED PRICE ISSUE PROCEDURE

The Issue is being made in compliance with the provisions of Reg. 106(M)(1) of Chapter XB of the SEBI (ICDR) Regulations, 2009 and through the Fixed Price Process wherein 50% of the Net Issue to Public is being offered to the Retail Individual Applicants and the balance shall be offered to Non Retail Category i.e. QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price.

Subject to the valid Applications being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under



subscription, if any, in any category, would be allowed to be met with spillover from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.

**Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialised form. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic application system of the stock exchanges, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchanges.**

## APPLICATION FORM

Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the BSE ([www.bseindia.com](http://www.bseindia.com)), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.

All Applicants shall mandatorily participate in the Issue only through the ASBA process. ASBA Applicants must provide bank account details and authorisation to block funds in the relevant space provided in the Application Form and the Application Forms that do not contain such details are liable to be rejected.

ASBA Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour <sup>(1)</sup>
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis	Blue

<sup>(1)</sup>excluding electronic Application Form

Designated Intermediaries shall submit Application Forms to SCSBs and shall not submit it to any non-SCSB bank.

## Who Can Apply?

1. Indian nationals resident in India, who are not minors (except through their Legal Guardians), in single or joint names (not more than three);
2. 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;
3. Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorised to invest in equity shares;
4. Mutual Funds registered with SEBI;
5. 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;



6. Indian financial institutions, scheduled commercial banks (excluding foreign banks), regional rural banks, co-operative banks (subject to RBI regulations and the SEBI Regulations and other laws, as applicable);
7. FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual under the QIB portion;
8. Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Applications portion;
9. VCFs registered with SEBI;
10. FVCIs registered with SEBI;
11. Eligible QFIs;
12. Foreign Nationals and other non-residents (subject to eligibility norms specified in SEBI FPI Regulations, 2014 and other applicable provisions)
13. Multilateral and bilateral development financial institutions;
14. State Industrial Development Corporations;
15. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
16. Scientific and/or industrial research organizations authorized in India to invest in equity shares;
17. Insurance companies registered with Insurance Regulatory and Development Authority;
18. Provident Funds with a minimum corpus of ₹250 million and who are authorised under their constitution to hold and invest in equity shares;
19. Pension Funds with a minimum corpus of ₹250 million and who are authorised under their constitution to hold and invest in equity shares;
20. Limited liability partnerships;
21. National Investment Fund set up by resolution no. F.NO.2/3/2005-DDII dated November 23, 2005 of the GoI, published in the Gazette of India;
22. Nominated Investor and Market Maker
23. Insurance funds set up and managed by the army, navy or air force of the Union of India and by the Department of Posts, India
24. 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 policy of the Government of India, OCBs cannot participate in this Issue. 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.***

**Applications not to be made by:**

1. Minors (except through their Legal Guardians)
2. Partnership firms or their nominations

### 3. Overseas Corporate Bodies

#### Maximum and Minimum Application Size

##### *a) For Retail Individual Applicants:*

The Application must be for a minimum of 300 Equity Shares and in multiples of 300 Equity Shares thereafter, so as to ensure that the Application Amount payable by the Applicant does not exceed ₹ 2,00,000. In case of revision of the Application, the Retail Individual Applicants have to ensure that the Application Amount does not exceed ₹ 2,00,000.

##### *b) For Other Applicants (Non-Institutional Applicants and QIBs):*

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds ₹ 2,00,000 and in multiples of 300 Equity Shares thereafter. Application cannot be submitted for more than the Issue Size. However, the maximum application size by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. **A QIB and a Non-Institutional Applicant cannot withdraw or lower the size of their Application at any stage and are required to pay the entire Application Amount upon submission of the Application.**

The identity of QIBs applying in the Net Issue shall not be made public during the Issue Period. In case of revision in Application, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

#### Information for the Applicants

- a) Our Company shall file the Prospectus with the RoC at least three working days before the Issue Opening Date.
- b) Our Company shall, after registering the Prospectus with the RoC, make a pre-issue advertisement, in the form prescribed under the ICDR Regulations, in English and Hindi national newspapers and one regional newspaper with wide circulation. In the pre-issue advertisement, our Company and the Lead Manager shall advertise the Issue Opening Date, the Issue Closing Date. This advertisement, subject to the provisions of the Companies Act, shall be in the format prescribed in Part A of Schedule XIII of the ICDR Regulations.
- c) Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the BSE ([www.bseindia.com](http://www.bseindia.com)), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.
- d) Applicants who are interested in subscribing to the Equity Shares should approach any of the Application Collecting Intermediaries or their authorized agent(s).
- e) Application should be submitted in the prescribed Application Form only. Application Forms submitted to the SCSBs should bear the stamp of the respective intermediary to whom the application form is submitted. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and / or the Designated Branch.
- f) The Application Form can be submitted either in physical or electronic mode, to the Application Collecting Intermediaries. Further Application Collecting Intermediary 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.

**The Applicants should note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic system of the Stock Exchanges does not match with the PAN, DP ID and Client ID available in the database of Depositories, the Application Form is liable to be rejected.**

### **Availability of the Prospectus and the Application Forms:**

Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the BSE ([www.bseindia.com](http://www.bseindia.com)), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.

### **Participation by associates and affiliates of the Lead Manager**

The Lead Manager shall not be allowed to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Manager may subscribe to Equity Shares in the Issue in non Retail Portion, where the allocation is on a proportionate basis.

### **Applications by Mutual Funds**

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to reject the Application without assigning any reason thereof.

Applications made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Applications are made.

**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.**

**No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.**

### **Applications by Eligible NRIs**

NRIs may obtain copies of Application Form from the offices of the Lead Manager and the Designated Intermediaries. Eligible NRI Applicants applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Applicants applying on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary ("NRO") accounts for the full Application Amount, at the time of the submission of the Application Form.

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in colour).

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents (blue in colour).

### **Applications by FPI and FIIs**

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations. Further, a qualified foreign investor who had not obtained a certificate of registration as and FPI could only continue to buy, sell or otherwise deal in securities until January 6, 2015. Hence, such qualified foreign investors who have not registered as FPIS under the SEBI FPI Regulations shall not be eligible to participate in this Issue.

In case of Applications made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Application Form, failing which our Company reserves the right to reject any application without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Applications made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Application Form, failing which our Company reserves the right to reject any Application without assigning any reason.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10.00% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10.00% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24.00% of the paid-up Equity Share capital of our Company. The aggregate limit of 24.00% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10.00% and 24.00% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Issue are advised to use the Application Form for Non-Residents (blue in colour).

#### **Applications by SEBI registered VCFs, AIFs and FVCIs**

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

**Our Company, the Selling Shareholders or the Lead Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.**

**There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.**

#### **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 and the Selling Shareholders reserves the right to reject any Application without assigning any reason thereof.

#### **Applications by Insurance Companies**

In case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company and the Selling Shareholders reserves the right to reject any Application without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, 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;
- 2) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- 3) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

#### **Applications by Provident Funds / Pension Funds**

In case of Applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 250.00 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application, without assigning any reason thereof.

#### **Applications by Banking Companies**

In case of Applications made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company and the Selling Shareholders reserve the right to reject any Application without assigning any reason.

The investment limit for banking companies as per the Banking Regulation Act, 1949, as amended, is 30.00% of the paid up share capital of the investee company or 30.00% of the banks' own paid up share capital and reserves, whichever is less (except in certain specified exceptions, such as setting up or investing in a subsidiary,

which requires RBI approval). Further, the RBI Master Circular of July 1, 2015 sets forth prudential norms required to be followed for classification, valuation and operation of investment portfolio of banking companies.

### **Applications by SCSBs**

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

### **Applications under Power of Attorney**

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹ 250 million (subject to applicable law) and pension funds with a minimum corpus of ₹ 250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Application Form. Failing this, our Company and the Selling Shareholders reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to Applications by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form.
- b) With respect to Applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Application Form.
- c) With respect to Applications made by provident funds with a minimum corpus of ₹ 250 million (subject to applicable law) and pension funds with a minimum corpus of ₹ 250 million, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form.
- d) With respect to 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.
- e) Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application form, subject to such terms and conditions that our Company, the Selling Shareholders and the Lead Manager may deem fit.

**The above information is given for the benefit of the Applicants. Our Company, the Selling Shareholders and the 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 Applicants are advised to ensure that any single Application from them does not exceed the applicable 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.**

### **General Instructions**

#### **Do's:**

- 1) Check if you are eligible to apply as per the terms of this Prospectus and under applicable law, rules, regulations, guidelines and approvals;
- 2) Read all the instructions carefully and complete the Application Form in the prescribed form;



- 3) Ensure that the details about the PAN, DP ID and Client ID are correct and the Applicants depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
- 4) Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary;
- 5) If the first applicant is not the account holder, ensure that the Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
- 6) Ensure that the signature of the First Applicant in case of joint Applications, is included in the Application Forms;
- 7) Ensure that the name(s) given in the Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Applications, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names;
- 8) Ensure that you request for and receive a stamped acknowledgement of your Application;
- 9) Ensure that you have funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the Application Form under the ASBA process to the respective member of the SCSBs, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
- 10) Submit revised Applications to the same Designated Intermediary, through whom the original Application was placed and obtain a revised acknowledgment;
- 11) Except for Applications (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Applications by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Applicants should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
- 12) Ensure that the Demographic Details are updated, true and correct in all respects;
- 13) Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
- 14) Ensure that the category and the investor status is indicated;
- 15) Ensure that in case of Applications under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
- 16) Ensure that Applications submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
- 17) Applicants should note that in case the DP ID, Client ID and the PAN mentioned in their Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Applications are liable to be rejected. Where the Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Application Form;



- 18) Ensure that the Application Forms are delivered by the Applicants within the time prescribed as per the Application Form and the Prospectus;
- 19) Ensure that you have mentioned the correct ASBA Account number in the Application Form;
- 20) Ensure that you have correctly signed the authorisation/undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form at the time of submission of the Application;
- 21) Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- 22) The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Don'ts:**

- 1) Do not apply for lower than the minimum Application size;
- 2) Do not apply at a Price different from the Price mentioned herein or in the Application Form;
- 3) Do not pay the Application Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
- 4) Do not send Application Forms by post; instead submit the same to the Designated Intermediary only;
- 5) Do not submit the Application Forms to any non-SCSB bank or our Company;
- 6) Do not apply on a Application Form that does not have the stamp of the relevant Designated Intermediary;
- 7) Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
- 8) Do not apply for a Application Amount exceeding ₹ 200,000 (for Applications by Retail Individual Applicants);
- 9) Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Prospectus;
- 10) Do not submit the General Index Register number instead of the PAN;
- 11) Do not submit the Application without ensuring that funds equivalent to the entire Application Amount are blocked in the relevant ASBA Account;
- 12) Do not submit Applications on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicant;
- 13) Do not submit a Application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
- 14) Do not apply if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
- 15) Do not submit more than five Application Forms per ASBA Account;

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

#### **Issuance of a Confirmation of Allocation Note (“CAN”) and Allotment in the Issue**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Applicants who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Applicant.

#### **Payment instructions**

The entire Issue price of ₹ 375/- per Equity Share is payable on Application. In case of allotment of lesser number of Equity Shares than the number applied, then the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants.

SCSBs will transfer the amount as per the instruction received by the Registrar to the Public Issue Bank Account. The balance amount after transfer to the Public Issue Account shall be unblocked by the SCSBs.

The Applicants shall specify the bank account details 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, Not Retails 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 instruction 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, as the case may be.

Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, the ASBA process become mandatory for all investors w.e.f. January 1, 2016 and it allows the registrar, share transfer agents, depository participants and stock brokers to accept application forms.

#### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, our Company shall, after registering the Prospectus with the RoC, publish a pre-issue advertisement, in the form prescribed by the SEBI Regulations, in one English language national daily newspaper, one Hindi language national daily newspaper and one regional language daily newspaper, each with wide circulation. In the pre-issue advertisement, we shall state the Issue Opening Date and the Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.

#### **Signing of the Underwriting Agreement and the RoC Filing**

- a) Our Company, the Lead Manager and the Market Maker have entered into an Underwriting Agreement on May 10, 2018.
- b) For terms of the Underwriting Agreement please see chapter titled “*General Information*” beginning on page no. 47 of this Prospectus.
- c) We will file a copy of the Prospectus with the RoC in terms of Section 26, 28 and all other provision applicable as per Companies Act.

## Communications

All future communications in connection with Applications made in this Issue should be addressed to the Registrar 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 SCSB / Designated Intermediary, where the Application was submitted and bank account number in which the amount equivalent to the Application Amount was blocked.

Applicants 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 Allotment, credit of allotted shares in the respective beneficiary accounts, refund orders etc. In case of ASBA Applications submitted to the Designated Branches of the SCSBs, the Applicants can contact the Designated Branches of the SCSBs.

## Impersonation

**Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:**

**“Any person who:**

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or**
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or**
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447”**

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

## Undertaking by our Company

We undertake the following:

- 1) If our Company does not proceed with the Issue after the Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 2) If our Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the RoC/SEBI, in the event our Company subsequently decides to proceed with the Issue;
- 3) The complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- 4) All steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within six Working Days of the Issue Closing Date;
- 5) The funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;

- 6) Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period;
- 7) The certificates of the securities/refund orders to Eligible NRIs shall be dispatched within specified time;
- 8) No further Issue of Equity Shares shall be made till the Equity Shares issued through the Prospectus are listed or until the Bid monies are refunded /unblocked in ASBA Account on account of non-listing, under-subscription etc;
- 9) Adequate arrangements shall be made to collect all Application Forms and

#### **Undertakings by the Selling Shareholders**

Each Selling Shareholder severally undertakes that:

- 1) it shall deposit its Equity Shares offered in the Issue in an escrow account opened with the Registrar to the Issue at least one Working Day prior to the Bid/Issue Opening Date;
- 2) it shall not have any recourse to the proceeds of the Offer for Sale until final listing and trading approvals have been received from the Stock Exchanges;
- 3) it shall take all steps and provide all assistance to our Company and the BRLMs, as may be required 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 six Working Days from the Bid/Issue Closing Date of the Issue, failing which it shall forthwith repay without interest all monies received from Bidders to the extent of the Offered Shares. In case of delay, interest as per applicable law shall be paid by the Selling Shareholder;
- 4) it shall not offer, lend, pledge, charge, transfer or otherwise encumber, sell, dispose off any of the Equity Shares held by it except the Equity Shares being offered in the Offer for Sale until such time that the lock-in remains effective save and except as may be permitted under the SEBI Regulations;
- 5) it shall ensure that the Equity Shares being offered by it in the Issue, shall be transferred to the successful Bidders within the time specified under applicable law; and it shall give appropriate instructions for dispatch of the refund orders or Allotment Advice to successful Bidders within the time specified under applicable law.

#### **Utilization of Issue Proceeds**

The Board of Directors of our Company certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act, 2013;
- 2) Details of all monies utilized out of the Issue shall be disclosed under an appropriate head in our balance sheet indicating the purpose for which such monies have been utilized under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested; and
- 4) Our Company shall comply with the requirements of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 in relation to the disclosure and monitoring of the utilization 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 the Stock Exchange where listing is sought has been received.

## 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, the SCRA, the SCRR and the SEBI ICDR Regulations. 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 Red Herring 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 through the Book-Building Process as well as to the Fixed Price Offers. The purpose of the “General Information Document for Investing in Public Issues” is to provide general guidance to potential Bidders/Applicants in IPOs and FPOs, and on the processes and procedures governing IPOs and FPOs, 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**”).

Bidders/Applicants should note that investment in equity and equity related securities involves risk and Bidder/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 Red Herring Prospectus (“RHP”) / Prospectus filed by the Issuer with the Registrar of Companies (“RoC”). Bidders/Applicants should carefully read the entire RHP / Prospectus and the Bid cum Application Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the BRLM(s) to the Issue and on the website of Securities and Exchange Board of India (“SEBI”) at [www.sebi.gov.in](http://www.sebi.gov.in).

For the definitions of capitalized terms and abbreviations used herein Bidders/Applicants may see “*Glossary and Abbreviations*”.

#### SECTION 2: BRIEF INTRODUCTION TO IPOs/FPOs

##### 2.1 Initial public offer (IPO)

An IPO means an Issue 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. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the RHP/Prospectus.

##### 2.2 Further public offer (FPO)

An FPO means an Issue of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer.

For undertaking an FPO, the Issuer is *inter-alia* required to comply with the eligibility requirements in terms of Regulation 26/ Regulation 27 of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the RHP/Prospectus.

### **2.3 Other Eligibility Requirements:**

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 2013, the Companies Act, 1956 (to the extent applicable), the Securities Contracts (Regulation) Rules, 1957 (the “SCRR”), industry-specific regulations, if any, and other applicable laws for the time being in force.

For details in relation to the above Bidders/Applicants may refer to the RHP/Prospectus.

### **2.4 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 Bid/Issue Opening Date, in case of an IPO and at least one Working Day before the Bid/Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities.

Bidders/Applicants should refer to the RHP/Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

### **2.5 ISSUE PERIOD**

The Issue may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/Issue Period. Details of Bid/Issue Period are also available on the website of the Stock Exchange(s).

In case of a Book Built Issue, the Issuer may close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Issue Period may be extended by at least three Working Days, subject to the total Bid/Issue Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders/Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges and the BRLM(s), and the advertisement in the newspaper(s) issued in this regard.

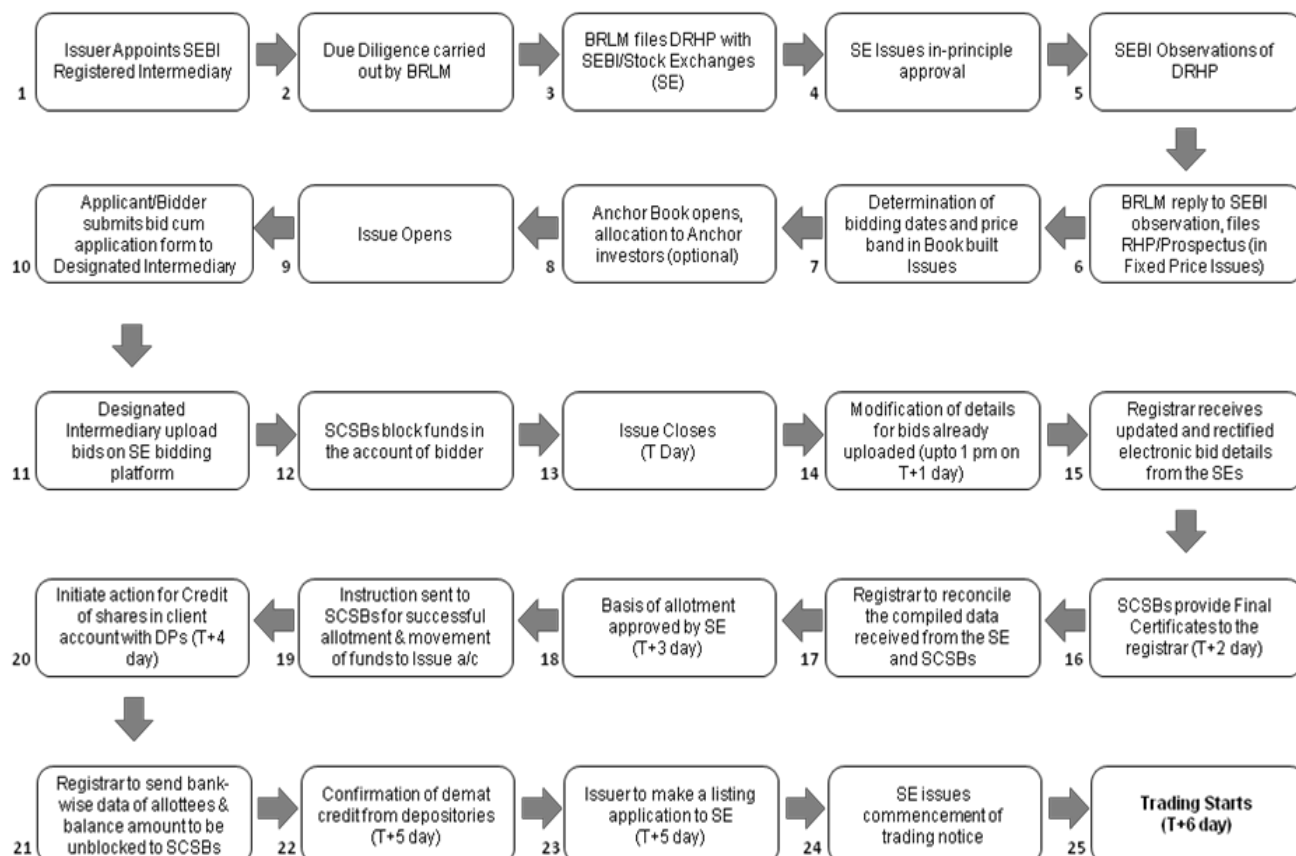
### **2.6 FLOWCHART OF TIMELINES**

A flow chart of process flow in Fixed Price and Book Built Issues is as follows. Bidders/Applicants may note that this is not applicable for Fast Track FPOs:

In case of Issue other than Book Built Issue (Fixed Price Issue) the process at the following of the below mentioned steps shall be read as:

- i. Step 7 : Determination of Issue Date and Price
- ii. Step 10: Applicant submits Bid cum Application Form with Designated Branch of SCSB.





### SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

**Each Bidder/Applicant should check whether it is eligible to apply under applicable law.** Furthermore, certain categories of Bidders/Applicants, such as NRIs, FIIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

Subject to the above, an illustrative list of Bidders/Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Bids/Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: “Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*”. Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations, 2009 and other laws, as applicable);



- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual, bidding under the QIBs category;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals Bidding only under the Non Institutional Investors (“NIIs”) category;
- FPIs other than Category III foreign portfolio investors, Bidding under the QIBs category;
- FPIs which are Category III foreign portfolio investors, Bidding under the NIIs category;
- Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008; and
- Any other person eligible to Bid/Apply in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws.
- As per the existing regulations, OCBs are not allowed to participate in an Issue.

#### SECTION 4: APPLYING IN THE ISSUE

**Book Built Issue:** Bidders should only use the specified ASBA Form (or in case of Anchor Investors, the Anchor Investor Application Form) either bearing the stamp of a member of the Syndicate or any other Designated Intermediary, as available or downloaded from the websites of the Stock Exchanges. Bid cum Application Forms are available with the Book Running Lead Managers, the Designated Intermediaries at the Bidding Centres and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/Issue Opening Date. For further details, regarding availability of Bid cum Application Forms, Bidders may refer to the RHP/Prospectus.

**Fixed Price Issue:** Applicants should only use the specified cum Application Form bearing the stamp of an SCSB as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Designated Branches of the SCSBs and at the Registered and Corporate Office of the Issuer. For further details, regarding availability of Application Forms, Applicants may refer to the Prospectus.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed color of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

Category	Colour <sup>(1)</sup>
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis	Blue

<sup>(1)</sup>excluding electronic Application Form

Securities issued in an IPO can only be in dematerialized form in accordance with Section 29 of the Companies Act, 2013. Bidders/Applicants will not have the option of getting the Allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to Allotment.

#### 4.1 INSTRUCTIONS FOR FILING THE BID CUM APPLICATION FORM/APPLICATION FORM

Bidders/Applicants may note that forms not filled completely or correctly as per instructions provided in the GID, the RHP/ Prospectus and the Bid cum Application Form/Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Bid cum Application Form and sample are provided below.

A sample Bid cum Application Form is reproduced below:

<p style="text-align: center;"><b>COMMON BID CUM APPLICATION FORM</b></p>	<p style="text-align: center;"><b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b></p> <p>Address : ..... Contact Details : ..... CIN No. ....</p>	<p style="text-align: center;"><b>FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS</b></p>																																																																
<p>LOGO</p>	<p>TO, THE BOARD OF DIRECTORS XYZ LIMITED</p>	<p style="text-align: center;"><b>BOOK BUILT ISSUE</b></p> <p style="text-align: center;"><b>ISIN : .....</b></p>																																																																
<p><b>Bid cum Application Form No.</b> .....</p>																																																																		
<p><b>SYNDICATE MEMBER'S STAMP &amp; CODE</b></p>	<p><b>BROKER/SCSB/DP/RTA STAMP &amp; CODE</b></p>	<p><b>1. NAME &amp; CONTACT DETAILS OF SOLE / FIRST BIDDER</b></p> <p>Mr. / Ms. ....</p> <p>Address .....</p> <p>Email .....</p> <p>Tel. No (with STD code) / Mobile .....</p>																																																																
<p><b>SUB-BROKER'S / SUB-AGENT'S STAMP &amp; CODE</b></p>	<p><b>ESCROW BANK/SCSB BRANCH STAMP &amp; CODE</b></p>	<p><b>2. PAN OF SOLE / FIRST BIDDER</b></p> <p>.....</p>																																																																
<p><b>BANK BRANCH SERIAL NO.</b></p>	<p><b>SCSB SERIAL NO.</b></p>	<p><b>3. BIDDER'S DEPOSITORY ACCOUNT DETAILS</b> <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL</p> <p>For NSDL, enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID</p>																																																																
<p><b>4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")</b></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">Bid Options</th> <th colspan="8">No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)</th> <th colspan="4">Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)</th> <th rowspan="2">"Cut-off" (Please tick)</th> </tr> <tr> <th>8</th><th>7</th><th>6</th><th>5</th><th>4</th><th>3</th><th>2</th><th>1</th> <th>Bid Price</th><th>Retail Discount</th><th>Net Price</th> </tr> </thead> <tbody> <tr> <td>Option 1</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> <td></td><td></td><td></td> <td><input type="checkbox"/></td> </tr> <tr> <td>(OR) Option 2</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> <td></td><td></td><td></td> <td><input type="checkbox"/></td> </tr> <tr> <td>(OR) Option 3</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> <td></td><td></td><td></td> <td><input type="checkbox"/></td> </tr> </tbody> </table>		Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)								Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)				"Cut-off" (Please tick)	8	7	6	5	4	3	2	1	Bid Price	Retail Discount	Net Price	Option 1												<input type="checkbox"/>	(OR) Option 2												<input type="checkbox"/>	(OR) Option 3												<input type="checkbox"/>	<p><b>5. CATEGORY</b></p> <p><input type="checkbox"/> Retail Individual Bidder</p> <p><input type="checkbox"/> Non-Institutional Bidder</p> <p><input type="checkbox"/> QIB</p>
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<p><b>8A. SIGNATURE OF SOLE / FIRST BIDDER</b></p> <p>.....</p> <p>Date : .....</p>		<p><b>8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)</b></p> <p>I/We authorize the SCSB to do all acts as are necessary to make the Application in the line</p> <p>1) .....</p> <p>2) .....</p> <p>3) .....</p>																																																																
<p><b>9. PAYMENT OPTION : FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/></b></p>		<p><b>BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)</b></p>																																																																

TEAR HERE

<p>LOGO</p>	<p style="text-align: center;"><b>XYZ LIMITED</b></p> <p style="text-align: center;"><b>INITIAL PUBLIC ISSUE - R</b></p>	<p style="text-align: center;"><b>Acknowledgement Slip for Broker/SCSB/DP/RTA</b></p>	<p><b>Bid cum Application Form No.</b> .....</p> <p>PAN of Sole / First Bidder .....</p>
<p>DPID / CLID</p>	<p>Amount paid (₹ in figures) ..... Bank &amp; Branch .....</p> <p>ASBA Bank A/c No. ....</p> <p>Received from Mr./Ms. ....</p> <p>Telephone / Mobile ..... Email .....</p>		
<p>TEAR HERE</p>			

<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b>	Option 1	Option 2	Option 3	Stamp & Signature of Broker / SCSB / DP / RTA
No. of Equity Shares				
Bid Price				
Amount Paid (₹)				
ASBA Bank A/c No. ....				
Bank & Branch .....				

**Name of Sole / First Bidder**

.....

**Acknowledgement Slip for Bidder**

**Bid cum Application Form No.** .....

#### 4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE / FIRST BIDDER / APPLICANT

- a) Bidders/Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.
- b) **Mandatory Fields:** Bidders/Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Bidders/Applicants should note that the contact details mentioned in the Bid cum Application Form/Application Form may be used to dispatch communications (including letters notifying the unblocking of the bank accounts of Bidders/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 Bid cum Application Form may be used by the Issuer, the Designated Intermediaries and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- c) **Joint Bids/Applications:** In the case of Joint Bids/Applications, the Bids/Applications should be made in the name of the Bidder/Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidder/Applicant would be required in the Bid cum Application Form/Application Form and such first Bidder/Applicant would be deemed to have signed on behalf of the joint holders. All communications may be addressed to such Bidder/Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- d) **Impersonation:** Attention of the Bidders/Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

**“Any person who:**

- *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

***shall be liable for action under Section 447.”***

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

- e) **Nomination Facility to Bidder/Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of Allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders/Applicants should inform their respective DP.

#### 4.1.2 FIELD NUMBER 2: PAN NUMBER OF SOLE/FIRST BIDDER/APPLICANT

- a) PAN (of the sole/first Bidder/Applicant) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person(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 Bids/Applications on behalf of the Central or State

Government, Bids/Applications by officials appointed by the courts and Bids/Applications by Bidders/Applicants residing in Sikkim ("PAN Exempted Bidders/Applicants"). Consequently, all Bidders/Applicants, other than the PAN Exempted Bidders/Applicants, are required to disclose their PAN in the Bid cum Application Form/Application Form, irrespective of the Bid/Application Amount. Bids/Applications by the Bidders/Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

- c) The exemption for the PAN Exempted Bidders/Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.
- d) Bid cum Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- e) Bids/Applications by Bidders whose demat accounts have been 'suspended for credit' are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and Demographic Details are not provided by depositories.

#### **4.1.3 FIELD NUMBER 3: BIDDERS/APPLICANTS DEPOSITORY ACCOUNT DETAILS**

- a) Bidders/Applicants should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form/Application Form. The DP ID and Client ID provided in the Bid cum Application Form/Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Bid cum Application Form/Application Form is liable to be rejected.**
- b) Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form/Application Form is active.
- c) Bidders/Applicants should note that on the basis of the DP ID and Client ID as provided in the Bid cum Application Form/Application Form, the Bidder/Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for unblocking of ASBA Account or for other correspondence(s) related to an Issue.
- d) Bidders/Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/Applicants' sole risk.

#### **4.1.4 FIELD NUMBER 4: BID OPTIONS**

- a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the Prospectus/RHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid/Issue Opening Date in case of an IPO, and at least one Working Day before Bid/Issue Opening Date in case of an FPO.
- b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs/FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders may Bid at Floor Price or any price above the Floor Price (For further details Bidders may refer to (Section 5.6 (e))
- c) **Cut-Off Price:** Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.

- d) **Minimum Application Value and Bid Lot:** The Issuer, the Selling Shareholders in consultation with the BRLMs may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 1,00,000 to ₹ 2,00,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum application value.
- e) **Allotment:** The Allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. For details of the Bid Lot, Bidders may refer to the RHP/Prospectus or the advertisement regarding the Price Band published by the Issuer.

#### 4.1.4.1 MAXIMUM AND MINIMUM BID SIZE

- a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Investors, Employees and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed ₹ 2,00,000.
- b) In case the Bid Amount exceeds ₹ 2,00,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category (with it not being eligible for Discount), then such Bid may be rejected if it is at the Cut-off Price.
- c) For NRIs, a Bid Amount of up to ₹ 2,00,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding ₹ 2,00,000 may be considered under the Non-Institutional Category for the purposes of allocation.
- d) Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds ₹ 2,00,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to Bid at Cut off Price.
- e) RII may revise or withdraw their bids until Bid/Issue Closing Date. QIBs and NII's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after Bidding and are required to pay the Bid Amount upon submission of the Bid.
- f) In case the Bid Amount reduces to ₹ 2,00,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Investors who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.
- g) For Anchor Investors, if applicable, the Bid Amount shall be least ₹ 10 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Category under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/Issue Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Issue Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Issue Price is lower than the Anchor Investor Issue Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.
- h) A Bid cannot be submitted for more than the Issue size.
- i) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.
- j) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the Issue Price, the number of Equity Shares Bid for by a Bidder at or above the Issue Price may be considered



for Allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of Bidders may refer to (Section 5.6 (e))

#### **4.1.4.2 MULTIPLE BIDS**

- a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of three Bids at different price levels in the Bid cum Application Form and such options are not considered as multiple Bids.

Submission of a second Bid cum Application Form to either the same or to another Designated Intermediary and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

- b) Bidders are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple Bids:

- 1) All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.
- 2) For Bids from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.

- c) The following Bids may not be treated as multiple Bids:

- 1) Bids by Reserved Categories Bidding in their respective Reservation Portion as well as bids made by them in the Issue portion in public category.
- 2) Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.
- 3) Bids by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.
- 4) Bids by Anchor Investors under the Anchor Investor Portion and the QIB Category.

#### **4.1.5 FIELD NUMBER 5: CATEGORY OF BIDDERS**

- a) The categories of Bidders identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and Allotment in the Issue are RIIs, NIIs and QIBs.
- b) Up to 60% of the QIB Category can be allocated by the Issuer, on a discretionary basis subject to the criteria of minimum and maximum number of Anchor Investors based on allocation size, to the Anchor Investors, in accordance with SEBI ICDR Regulations, 2009, with one-third of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Issue Price. For details regarding allocation to Anchor Investors, Bidders may refer to the RHP/Prospectus.
- c) An Issuer can make reservation for certain categories of Bidders/Applicants as permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, Bidders/Applicants may refer to the RHP/Prospectus.
- d) The SEBI ICDR Regulations, 2009, specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation Bidder/Applicant may refer to the RHP/Prospectus.

#### **4.1.6 FIELD NUMBER 6: INVESTOR STATUS**

- a) Each Bidder/Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective Allotment to it in the Issue is in compliance with the investment restrictions under applicable law.
- b) Certain categories of Bidders/Applicants, such as NRIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.
- c) Bidders/Applicants should check whether they are eligible to apply on non -repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.
- d) Bidders/Applicants should ensure that their investor status is updated in the Depository records.

#### **4.1.7 FIELD NUMBER 7: PAYMENT DETAILS**

- a) The full Bid Amount (net of any Discount, as applicable) shall be blocked based on the authorisation provided in the Bid cum Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Bid Amount in the Bid cum Application Form and the funds shall be blocked for Bid Amount net of Discount. Only in cases where the RHP/Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.
- b) Bidders who Bid at Cut-off Price shall deposit the Bid Amount based on the Cap Price.
- c) All Bidders (except Anchor Investors) can participate in the Issue only through the ASBA mechanism.
- d) Bid Amount cannot be paid in cash, through money order or through postal order.

##### **4.1.7.1 Instructions for Anchor Investors:**

- a) Anchor Investors may submit their Bids with a Book Running Lead Manager.
- b) Payments should be made either by RTGS, NEFT or cheque/ 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 Anchor Investor Application Form is submitted. 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.
- c) If the cheque or demand draft accompanying the Bid cum Application Form is not made favouring the Escrow Account, the Bid is liable to be rejected.
- d) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Anchor Investors until the Designated Date.
- e) Anchor Investors are advised to provide the number of the Anchor Investor 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 Bidders (other than Anchor Investors)**

- a) Bidders may submit the Bid cum Application Form either
  - 1) in physical mode to the Designated Branch of an SCSB where the Bidders/Applicants have ASBA Account, or



- 2) in electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or
- 3) in physical mode to any Designated Intermediary.
- b) Bidders must specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by Bidder and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.
- c) Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder;
- d) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.
- f) Bidders bidding through a member of the Syndicate should ensure that the Bid cum Application Form is submitted to a member of the Syndicate only at the Specified Locations. Bidders should also note that Bid cum Application Forms submitted to the Syndicate at the Specified Locations may not be accepted by the member of the Syndicate if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for the members of the Syndicate to deposit Bid cum Application Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>).
- g) Bidders bidding through a Registered Broker, RTA or CDP should note that Bid cum Application Forms submitted to them may not be accepted, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for the Registered Brokers, RTA or CDP, as the case may be, to deposit Bid cum Application Forms.
- h) Bidders bidding directly through the SCSBs should ensure that the Bid cum Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- i) Upon receipt of the Bid cum Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form.
- j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.
- k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Bids on the Stock Exchange platform and such bids are liable to be rejected.
- l) Upon submission of a completed Bid cum Application Form each Bidder may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the Bid cum Application Form in the ASBA Account maintained with the SCSBs.
- m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.
- n) SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

#### **4.1.7.2.1 Unblocking of ASBA Account**

- a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected Bids, if any, along with reasons for rejection and details of withdrawn or unsuccessful Bids, if any, to enable the SCSBs to unblock the respective bank accounts.
- b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful Bidder to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- c) In the event of withdrawal or rejection of the Bid cum Application Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six Working Days of the Bid/Issue Closing Date.

#### **4.1.7.3 Discount (if applicable)**

- a) The Discount is stated in absolute rupee terms.
- b) Bidders applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Issue, Bidders may refer to the RHP/Prospectus.
- c) The Bidders entitled to the applicable Discount in the Issue may block an amount i.e. the Bid Amount less Discount (if applicable).

Bidder may note that in case the net amount blocked (post Discount) is more than two lakh Rupees, the Bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RII category.

#### **4.1.8 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS**

- a) Only the First Bidder/ Applicant is required to sign the Bid cum Application Form/Application Form. Bidders/ Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- b) If the ASBA Account is held by a person or persons other than the Bidder/Applicant., then the Signature of the ASBA Account holder(s) is also required.
- c) The signature has to be correctly affixed in the authorisation/undertaking box in the Bid cum Application Form/Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form/Application Form.
- d) Bidders/Applicants must note that Bid cum Application Form/Application Form without signature of Bidder/Applicant and/or ASBA Account holder is liable to be rejected.

#### **4.1.9 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

- a) Bidders should ensure that they receive the Acknowledgement Slip duly signed and stamped by the Designated Intermediary, as applicable, for submission of the Bid cum Application Form.
- b) All communications in connection with Bids/Applications made in the Issue should be addressed as under:

- 1) In case of queries related to Allotment, non-receipt of Allotment Advice, credit of Allotted Equity Shares, refund orders, the Bidders/Applicants should contact the Registrar to the Issue.
  - 2) In case of Bids submitted to the Designated Branches of the SCSBs, the Bidders/Applicants should contact the relevant Designated Branch of the SCSB.
  - 3) In case of queries relating to uploading of Bids by a Syndicate Member, the Bidders/Applicants should contact the relevant Syndicate Member.
  - 4) In case of queries relating to uploading of Bids by a Registered Broker, the Bidders/Applicants should contact the relevant Registered Broker
  - 5) In case of Bids submitted to the RTA, the Bidders/Applicants should contact the relevant RTA.
  - 6) In case of Bids submitted to the DP, the Bidders/Applicants should contact the relevant DP.
  - 7) Bidder/Applicant may contact our Company Secretary and Compliance Officer or BRLM(s) in case of any other complaints in relation to the Issue.
- c) The following details (as applicable) should be quoted while making any queries –
- 1) full name of the sole or First Bidder/Applicant, Bid cum Application Form number, Applicants'/Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application;
  - 2) name and address of the Designated Intermediary, where the Bid was submitted; or
  - 3) In case of Bids other than from Anchor Investors, ASBA Account number in which the amount equivalent to the Bid Amount was blocked.
- d) In case of Anchor Investor bids cheque or draft number and the name of the issuing bank thereof.

For further details, Bidder/Applicant may refer to the RHP/Prospectus and the Bid cum Application Form.

#### **4.2 INSTRUCTIONS FOR FILING THE REVISION FORM**

- a) During the Bid/Issue Period, any Bidder/Applicant (other than QIBs and NIIs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.
- b) RII may revise their bids or withdraw their Bids till the Bid/Issue Close Date.
- c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.
- d) The Bidder/Applicant can make this revision any number of times during the Bid/Issue Period. However, for any revision(s) in the Bid, the Bidders/Applicants will have to use the services of the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid. Bidders/Applicants are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample revision form is reproduced below:

<b>COMMON BID REVISION FORM</b>		<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b>		<b>FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS</b>	
		Address : ..... Contact Details : ..... CIN No. ....		Bid cum Application Form No. ....	
LOGO		TO, THE BOARD OF DIRECTORS XYZ LIMITED		BOOK BUILT ISSUE ISIN : .....	

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER Mr. / Ms. .... Address ..... Tel. No (with STD code) / Mobile ..... Email .....	
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE	2. PAN OF SOLE / FIRST BIDDER .....	
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL For NSDL, enter 8 digit DP ID followed by 8 digit Client ID / For CDSL, enter 16 digit Client ID	

PLEASE CHANGE MY BID												
4. FROM (AS PER LAST BID OR REVISION)												
Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised)								Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only)			
	(In Figures)								(In Figures)			
	8	7	6	5	4	3	2	1	Bid Price	Retail Discount	Net Price	"Cut-off" (Please tick)
Option 1												<input type="checkbox"/>
(OR) Option 2												<input type="checkbox"/>
(OR) Option 3												<input type="checkbox"/>
5. TO (Revised Bid) (Only Retail Individual Bidders can Bid at "Cut-off")												
Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised)								Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only)			
	(In Figures)								(In Figures)			
	8	7	6	5	4	3	2	1	Bid Price	Retail Discount	Net Price	"Cut-off" (Please tick)
Option 1												<input type="checkbox"/>
(OR) Option 2												<input type="checkbox"/>
(OR) Option 3												<input type="checkbox"/>

6. PAYMENT DETAILS											
Additional Amount Paid (₹ in figures) .....										PAYMENT OPTION : FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/>	
ASBA Bank A/c No. ....											
Bank Name & Branch .....											

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID REVISION FORM AND THE ATTACHED ABBRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID REVISION FORM GIVEN OVERLEAF.

7A. SIGNATURE OF SOLE / FIRST BIDDER  Date : .....	7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS) I/We authorize the SCSB to do all acts as are necessary to make the Application in the name 1) ..... 2) ..... 3) .....	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
--	---	---

TEAR HERE

<b>XYZ LIMITED</b>		<b>Acknowledgement Slip for Broker/SCSB/DP/RTA</b>		<b>Bid cum Application Form No.</b>	
<b>BID REVISION FORM - INITIAL PUBLIC ISSUE - R</b>					

DPID / CLID	.....	PAN of Sole / First Bidder
Additional Amount Paid (₹) .....		Stamp & Signature of SCSB Branch
ASBA Bank A/c No. ....		
Received from Mr./Ms. ....		
Telephone / Mobile	Email	

TEAR HERE

<b>XYZ LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - R</b>	Option 1	Option 2	Option 3	Stamp & Signature of Broker / SCSB / DP / RTA	Name of Sole / First Bidder	
	No. of Equity Shares					
	Bid Price					
	Additional Amount Paid (₹) .....				Acknowledgement Slip for Bidder	
	ASBA Bank A/c No. ....					
Bank & Branch .....				Bid cum Application Form No. ....		

Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

#### **4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT**

Bidders/Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3. 4.2.2

#### **FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'**

- a) Apart from mentioning the revised options in the Revision Form, the Bidder/Applicant must also mention the details of all the bid options given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder/Applicant has Bid for three options in the Bid cum Application Form and such Bidder/Applicant is changing only one of the options in the Revision Form, the Bidder/Applicant must still fill the details of the other two options that are not being revised, in the Revision Form. The members of the Syndicate, the Registered Brokers and the Designated Branches of the SCSBs may not accept incomplete or inaccurate Revision Forms.
- b) In case of revision, Bid options should be provided by Bidders/Applicants in the same order as provided in the Bid cum Application Form.
- c) In case of revision of Bids by RIIs, Employees and Retail Individual Shareholders, such Bidders/Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed ₹ 200,000. In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.
- d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds ₹ 200,000, the Bid will be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the RII does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.
- e) In case of a downward revision in the Price Band, RIIs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked in case of Bidders.

#### **4.2.3 FIELD 6: PAYMENT DETAILS**

- a) All Bidders/Applicants are required to make payment of the full Bid Amount (less Discount, if applicable) along with the Bid Revision Form. In case of Bidders/Applicants specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.
- b) Bidder/Applicant may Issue instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such Bidder/Applicant had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.
- c) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds ₹ 200,000, the Bid may be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the Bidder/Applicant does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for may be adjusted downwards for the purpose of Allotment, such that additional amount is



required blocked and the Bidder/Applicant is deemed to have approved such revised Bid at the Cut-off Price.

- d) In case of a downward revision in the Price Band, RIIs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked.

#### **4.2.4 FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS**

Bidders/Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

#### **4.3 INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)**

##### **4.3.1 FIELDS 1, 2, 3 NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT**

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

##### **4.3.2 FIELD 4: PRICE, APPLICATION QUANTITY & AMOUNT**

- a) The Issuer may mention Price or Price Band in the Draft Prospectus. However a prospectus registered with RoC contains one price or coupon rate (as applicable).
- b) **Minimum Application Value and Bid Lot:** The Issuer, the Selling Shareholders in consultation with the Lead Manager to the Issue (LM) may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 1,00,000 to ₹ 2,00,000. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.
- c) Applications by RIIs, Employees and Retail Individual Shareholders, must be for such number of shares so as to ensure that the application amount payable does not exceed ₹ 200,000.
- d) Applications by other investors must be for such minimum number of shares such that the application amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the application form and the Prospectus, or as advertised by the Issuer, as the case may be.
- e) An application cannot be submitted for more than the Issue size.
- f) The maximum application by any Applicant should not exceed the investment limits prescribed for them under the applicable laws.
- g) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or other SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.
- h) Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:
  - 1) All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple applications by a Bidder/Applicant and may be rejected.
  - 2) For applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.
- i) The following applications may not be treated as multiple Bids:

- 1) Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Issue portion in public category.
- 2) Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Bid has been made.
- 3) Applications by Mutual Funds, and sub-accounts of FIIs (or FIIs and its subaccounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

#### **4.3.3 FIELD NUMBER 5: CATEGORY OF APPLICANTS**

- a) The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and Allotment in the Issue are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).
- b) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, applicants may refer to the Prospectus.
- c) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation applicant may refer to the Prospectus.

#### **4.3.4 FIELD NUMBER 6: INVESTOR STATUS**

Applicants should refer to instructions contained in paragraphs 4.1.6.

#### **4.3.5 FIELD 7: PAYMENT DETAILS**

- a) All Applicants (other than Anchor Investors) are required to make use ASBA for applying in the Issue
- b) Application Amount cannot be paid in cash, through money order, cheque or through postal order or through stock invest.

##### **4.3.5.1 Payment instructions for Applicants**

- a) Applicants may submit the Application Form in physical mode to the Designated Intermediaries.
- b) Applicants must specify the Bank Account number in the Application Form. The Application Form submitted by an Applicant and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, will not be accepted.
- c) Applicants should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;
- d) Applicants shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.
- f) Applicants bidding directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- g) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.



- h) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and may upload the details on the Stock Exchange Platform.
- i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.
- j) Upon submission of a completed Application Form each Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.
- k) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.
- l) SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB; else their Applications are liable to be rejected.

#### **4.3.5.2 Unblocking of ASBA Account**

- a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected Applications, if any, along with reasons for rejection and details of withdrawn or unsuccessful Applications, if any, to enable the SCSBs to unblock the respective bank accounts.
- b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful Application to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- c) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within six Working Days of the Issue Closing Date.

#### **4.3.5.3 Discount (if applicable)**

- a) The Discount is stated in absolute rupee terms.
- b) RIIs, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, applicants may refer to the Prospectus.
- c) The Applicants entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Application Amount less Discount (if applicable).

#### **4.3.6 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS & ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

Applicants should refer to instructions contained in paragraphs 4.1.8 & 4.1.9.

#### **4.4 SUBMISSION OF BID CUM APPLICATION FORM/REVISION FORM/APPLICATION FORM**

##### **4.4.1 Bidders/Applicants may submit completed Bid cum application form/Revision Form in the following manner:-**

Mode of Application	Submission of Bid cum Application Form
Anchor Investors Application Form	<ul style="list-style-type: none"> <li>To the Book Running Lead Managers at the Specified Locations mentioned in the Bid cum Application Form</li> </ul>
All Applications (other than Anchor Investors)	<ul style="list-style-type: none"> <li>To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres or the RTA at the Designated RTA Location or the DP at the Designated DP Location</li> <li>To the Designated Branches of the SCSBs where the ASBA Account is maintained</li> </ul>

- Bidders/Applicants should submit the Revision Form to the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid.
- Upon submission of the Bid cum Application Form, the Bidder/Applicant will be deemed to have authorized the Issuer to make the necessary changes in the RHP and the Bid cum Application Form as would be required for filing Prospectus with the RoC and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Bidder/Applicant.
- Upon determination of the Issue Price and filing of the Prospectus with the RoC, the Bid cum Application Form will be considered as the application form.

## SECTION 5: ISSUEPROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations, 2009. The Issue Price is finalised after the Bid/Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

### 5.1 SUBMISSION OF BIDS

- During the Bid/Issue Period, Bidders/Applicants may approach any of the Designated Intermediaries to register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach the Book Running Lead Manager, to register their Bid.
- In case of Bidders/Applicants (excluding NIIs and QIBs) Bidding at Cut-off Price, the Bidders/Applicants may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- For Details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders/Applicants are requested to refer to the RHP.

### 5.2 ELECTRONIC REGISTRATION OF BIDS

- The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.
- On the Bid/Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges.
- Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the day following the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

### **5.3 BUILD UP OF THE BOOK**

- a) Bids received from various Bidders/Applicants through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the BRLMs at the end of the Bid/Issue Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the Bidding centres during the Bid/Issue Period.

### **5.4 WITHDRAWAL OF BIDS**

- a) RIIs can withdraw their Bids until Bid/Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

### **5.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS**

- a) The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to:
  - 1) the Bids accepted by the Designated Intermediaries,
  - 2) the Bids uploaded by the Designated Intermediaries, and
  - 3) the Bid cum application forms accepted but not uploaded by the Designated Intermediaries.
- b) The BRLMs and their affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.
- c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.
- d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) BRLMs and their affiliate Syndicate Members (only in the Specified Locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.
- e) All bids by QIBs, NIIs & RIIs Bids can be rejected on technical grounds listed herein.

#### **5.5.1 GROUNDS FOR TECHNICAL REJECTIONS**

Bid cum Application Forms/Application Form can be rejected on the below mentioned technical grounds either at the time of their submission to any of the Designated Intermediaries, or at the time of finalisation of the Basis of Allotment. Bidders/Applicants are advised to note that the Bids/Applications are liable to be rejected, inter-alia, on the following grounds, which have been detailed at various places in this GUID:-

- a) Bid/Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);
- b) Bids/Applications by OCBs; and
- c) In case of partnership firms, Bid/Application for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;

- d) In case of Bids/Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents not being submitted along with the Bid cum application form/Application Form;
- e) Bids/Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- f) Bids/Applications by persons in the United States excluding persons who are a U.S. QIB (as defined in this Draft Red Herring Prospectus);
- g) Bids/Applications by any person outside India if not in compliance with applicable foreign and Indian laws;
- h) PAN not mentioned in the Bid cum Application Form/Application Form, except for Bids/Applications by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;
- i) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- j) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- k) Bids/Applications at a price less than the Floor Price and Bids/Applications at a price more than the Cap Price;
- l) Bids/Applications at Cut-off Price by NIIs and QIBs;
- m) The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- n) Bids/Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- o) Submission of more than five Bid cum Application Forms/Application Form as through a single ASBA Account;
- p) Bids/Applications for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the RHP;
- q) Multiple Bids/Applications as defined in this GID and the RHP/Prospectus;
- r) Bid cum Application Forms/Application Forms are not delivered by the Bidders/Applicants within the time prescribed as per the Bid cum Application Forms/Application Form, Bid/Issue Opening Date advertisement and as per the instructions in the RHP/ Prospectus and the Bid cum Application Forms;
- s) Inadequate funds in the bank account to block the Bid/Application Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid/Application Amount in the bank account;
- t) In case of Anchor Investors, Bids/Applications where sufficient funds are not available in Escrow Accounts as per final certificate from the Escrow Collection Banks;
- u) Where no confirmation is received from SCSB for blocking of funds;
- v) Bids/Applications by Bidders (other than Anchor Investors) not submitted through ASBA process;
- w) Bids/Applications submitted to a BRLM at locations other than the Specified Cities and Bid cum Application Forms/Application Forms, under the ASBA process, submitted to the Escrow Collecting Banks (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the issuer or the Registrar to the Issue;

- x) Bids/Applications not uploaded on the terminals of the Stock Exchanges; and
- y) Bids/Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form.

## 5.6 BASIS OF ALLOCATION

- a) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of Bidders/Applicants in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP/Prospectus. For details in relation to allocation, the Bidder/Applicant may refer to the RHP/Prospectus.
- b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLMs and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations, 2009. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- c) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders/Applicants may refer to the RHP/ Prospectus.
- d) Illustration of the Book Building and Price Discovery Process Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors.

Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹ 20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Issuer and the Selling Shareholders, in consultation with the BRLMs, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

### e) Alternate Method of Book Building

In case of FPOs, Issuers may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of Bidding (“**Alternate Book Building Process**”).

The Issuer may specify the Floor Price in the RHP/ Prospectus or advertise the Floor Price at least one Working Day prior to the Bid/Issue Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder is Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIIs, NIIs and Employees are Allotted Equity Shares at the Floor Price and Allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the Allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be Allotted to a single

Bidder, decide whether a Bidder be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder be allowed single or multiple bids.

## **SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE**

**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 the Designated Intermediary.

Applicants may submit an Application Form either in physical form to the any of the Designated Intermediaries 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 Bid/Issue Opening Date.

In a fixed price Issue, allocation in the net Issue 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.

For details of instructions in relation to the Application Form, Bidders/Applicants may refer to the relevant section of the GID.

## **SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

The Allotment of Equity Shares to Bidders/Applicants other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to RHP/Prospectus. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue (excluding any Issue for Sale of specified securities). However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

### **7.1 ALLOTMENT TO RIIs**

Bids received from the RIIs at or above the Issue Price may be grouped together to determine the total demand under this category. If the aggregate demand in this category is less than or equal to the Retail Category at or above the Issue Price, full Allotment may be made to the RIIs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Category at or above the Issue Price, then the maximum number of RIIs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot ("**Maximum RII Allottees**"). The Allotment to the RIIs will then be made in the following manner:

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



## **7.2 ALLOTMENT TO NIIs**

Bids received from NIIs at or above the Issue Price may be grouped together to determine the total demand under this category. The Allotment to all successful NIIs may be made at or above the Issue Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Issue Price, full Allotment may be made to NIIs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Category at or above the Issue Price, Allotment may be made on a proportionate basis up to a minimum of the Non-Institutional Category.

## **7.3 ALLOTMENT TO QIBs**

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations, 2009 or RHP/Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner:

- a) In the first instance allocation to Mutual Funds for up to 5% of the QIB Category may be determined as follows: (i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Category, allocation to Mutual Funds may be done on a proportionate basis for up to 5% of the QIB Category; (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Category then all Mutual Funds may get full Allotment to the extent of valid Bids received above the Issue Price; and (iii) Equity Shares remaining unsubscribed, if any and not allocated to Mutual Funds may be available for Allotment to all QIBs as set out at paragraph 7.4(b) below;
- b) In the second instance, Allotment to all QIBs may be determined as follows: (i) In the event of oversubscription in the QIB Category, all QIBs who have submitted Bids above the Issue Price may be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Category; (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs; and (iii) Under-subscription below 5% of the QIB Category, if any, from Mutual Funds, may be included for allocation to the remaining QIBs on a proportionate basis.

## **7.4 ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)**

- a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Issue Price will be at the discretion of the issuer in consultation with the Investor Selling Shareholder and the BRLMs, subject to compliance with the following requirements:
  - 1) not more than 60% of the QIB Category will be allocated to Anchor Investors;
  - 2) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
  - 3) allocation to Anchor Investors shall be on a discretionary basis and subject to:
    - a maximum number of two Anchor Investors for allocation up to ₹ 10 crores;
    - a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 10 crores and up to ₹ 250 crores subject to minimum Allotment of ₹ 5 crores per such Anchor Investor; and
    - a minimum number of five Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 250 crores, and an additional 10 Anchor Investors for every additional ₹ 250 crores or part thereof, subject to minimum Allotment of ₹ 5 crores per such Anchor Investor.

- b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the issuer in consultation with the BRLMs, selected Anchor Investors will be sent a CAN and if required, a revised CAN.
- c) **In the event that the Issue Price is higher than the Anchor Investor Issue Price:** Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Issue Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.
- d) **In the event the Issue Price is lower than the Anchor Investor Issue Price:** Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

#### **7.5 BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS), NIIs AND RESERVED CATEGORY IN CASE OF OVER-SUBSCRIBED ISSUE**

In the event of the Issue being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the Designated Stock Exchange in accordance with the SEBI ICDR Regulations, 2009.

The allocation may be made in marketable lots, on a proportionate basis as explained below:

- a) Bidders may be categorized according to the number of Equity Shares applied for;
- b) The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;
- c) The number of Equity Shares to be Allotted to the successful Bidders may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio;
- d) In all Bids where the proportionate Allotment is less than the minimum Bid Lot decided per Bidder, the Allotment may be made as follows: the successful Bidders out of the total Bidders for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Issuer;
- e) If the proportionate Allotment to a Bidder is a number that is more than the minimum Bid lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded off to the lower whole number. Allotment to all Bidders in such categories may be arrived at after such rounding off; and
- f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for Allotment may be first adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate Allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders applying for minimum number of Equity Shares.

#### **7.6 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES**

- a) **Designated Date:** On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares to Anchor Investors from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Bankers to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the

Bidders applying in the Anchor Investor Portion shall be made from the Refund Account as per the terms of the Escrow Agreement and the RHP/Prospectus. On the Designated Date, the Registrar to the Issue shall instruct the SCSBs to transfer funds represented by allocation of Equity Shares from ASBA Accounts into the Public Issue Account.

- b) Issuance of Allotment Advice: Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Bidders/Applicants are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.  
Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders/Applicants who have been Allotted Equity Shares in the Issue.
- c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Bidders/Applicants Depository Account will be completed within six Working Days of the Bid/Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within two Working Days from the date of Allotment.

## **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 six Working Days of the Bid/Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with CDPs, and dispatch the Allotment Advice within six Working Days of the Bid/Issue Closing Date.

### **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 RHP/Prospectus. The Designated Stock Exchange may be as disclosed in the RHP/Prospectus with which the Basis of Allotment may be finalised.

If the Issuer fails to make application to the Stock Exchange(s) or obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act, 2013, the Issuer shall be punishable with a fine which shall not be less than ₹ 5 lakhs but which may extend to ₹ 50 lakhs and every officer of the Issuer who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than ₹ 50,000 but which may extend to ₹ 3 lakhs, or with both.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith take steps to refund, without interest, all moneys received from Bidders/Applicants.

If such money is not refunded to the Bidders within the prescribed time after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of such period, be liable to repay the money, with interest at such rate, as disclosed in the RHP/Prospectus.

#### **8.2.2 NON RECEIPT OF MINIMUM SUBSCRIPTION**

If the Issuer does not receive a minimum subscription of 90% of the Net Issue (excluding any offer for sale of specified securities), including devolvement to the Underwriters, the Issuer may forthwith, take steps to unblock the entire subscription amount received within six Working Days of the Bid/Issue Closing Date and repay, without interest, all moneys received from Anchor Investors. In case the Issue is in the nature of Offer for Sale

only, then minimum subscription may not be applicable. In case of under-subscription in the Issue, the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares in the Offer for Sale.

If there is a delay beyond the prescribed time after the Issuer becomes liable to pay or unblock the amount received from Bidders, then the Issuer and every director of the Issuer who is an officer in default may on and from expiry of 15 Days, be jointly and severally liable to repay the money, with interest at the rate of 15% per annum in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.

### **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 1,000 failing which the entire application monies may be refunded forthwith.

### **8.2.4 IN CASE OF ISSUES MADE UNDER COMPULSORY BOOK BUILDING**

In case an Issuer not eligible under Regulation 26(1) of the SEBI ICDR Regulations, 2009 comes for an Issue under Regulation 26(2) of SEBI (ICDR) Regulations, 2009 but fails to Allot at least 75% of the Net Issue to QIBs, in such case full subscription money is to be refunded.

## **8.3 MODE OF REFUND**

- a) **In case of Bids/Applications (other than Anchor Investors):** Within six Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Bid/Application and also for any excess amount blocked on Bidding/Application.
- b) **In case of Anchor Investors:** Within six Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Anchor Investors.
- c) In case of Anchor Investors, the Registrar to the Issue may obtain from the depositories, the Bidders/Applicants' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Anchor Investors in their Anchor Investor Application Forms for refunds. Accordingly, Anchor Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Anchor Investors' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Anchor Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay. Please note that refunds shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

### **8.3.1 Electronic mode of making refunds for Anchor Investors**

The payment of refund, if any, may be done through various electronic modes as mentioned below:

- a) **NEFT** - Payment of refund may be undertaken through NEFT wherever the branch of the Anchor Investors' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Anchor Investors have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Anchor Investors through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;
- b) **Direct Credit** - Anchor Investors having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;
- c) **RTGS** - Anchor Investors having a bank account at any of the centers notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS; and

Please note that refunds through the abovementioned modes shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

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 centers, etc. Anchor Investors may refer to RHP/Prospectus.

#### 8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to Bidders/Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the 6 working days of the Bid/Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Bid/Issue Closing Date, if Allotment is not made.

### SECTION 9: GLOSSARY AND ABBREVIATIONS

*Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.*

Term	Description
Allotment/Allot/Allotted	The allotment of Equity Shares pursuant to the Issue to successful Bidders/Applicants
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders/Applicants who have been Allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Allottee	An Bidder/Applicant to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Invest or Portion in accordance with the requirements specified in SEBI ICDR Regulations, 2009 and the Red Herring Prospectus/ Prospectus.
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus
Anchor Investor Portion	Up to 60% of the QIB Category which may be allocated by the Issuer in consultation with the BRLMs, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors
Application 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	An application, whether physical or electronic, used by Bidders/Applicants, other than Anchor Investors, to make a Bid and 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 Bidder/Applicant
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) for Anchor Investors may be opened ,and as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Bidders/Applicants under the Issue
Bid	An indication to make an Issue during the Bid/Issue Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Bid/Issue Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions



Term	Description
	and modifications there to. In case of issues undertaken through the fixed price process, all references to a Bid should be construed to mean an Application
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder/Applicant up on submission of the Bid(except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount
Bid/Issue Closing Date	Except in the case of Anchor Investors (if applicable), the date after which the Designated Intermediaries may not accept any Bids for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language news paper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/Bidders may refer to the RHP/Prospectus for the Bid/Issue Closing Date
Bid/Issue Opening Date	The date on which the Designated Intermediaries may start accepting Bids for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/Bidders may refer to the RHP/Prospectus for the Bid/Issue Opening Date
Bid/Issue Period	Except in the case of Anchor Investors(if applicable),the period between the Bid/Issue Opening Date and the Bid/Issue Closing Date inclusive of both days and during which prospective Bidders/Applicants (other than Anchor Investors) can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid/Issue Period for QIBs one working day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations, 2009. Applicants/Bidders may refer to the RHP/Prospectus for the Bid/Issue Period
Bid cum Application Form	An application form, whether physical or electronic, used by Bidders, other than Anchor Investors, to make a Bid and which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Bidder/Applicant	Any prospective investor who makes a Bid pursuant to the terms of the RHP/Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder/Applicant should be construed to mean an Bidder/Applicant
Book Built Process / Book Building Process / Book Building Method	The book building process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
Broker Centres	Broker centres notified by the Stock Exchanges, where Bidders/Applicants can submit the Bid cum Application Forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges.
BRLM(s) / Book Running Lead Manager(s) / Lead Manager / LM	The Book Running Lead Manager to the Issue as disclosed in the RHP/Prospectus and the Bid cum Application Form of the Issuer. In case of issues undertaken through the fixed price process, all references to the Book Running Lead Manager should be construed to mean the Lead Manager or LM
Business Day	Monday to Saturday (except 2nd & 4th Saturday of a month and public holidays)
CAN / Confirmation of Allotment Note	The note or advice or intimation sent to each successful Bidder/Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Cap Price	The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price may not be finalised and above which no Bids may be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Cut-off Price	Issue Price, finalised by the Issuer and the Selling Shareholders in consultation



Term	Description
	with the Book Running Lead Manager(s), which can be any price within the Price Band. Only RIIs, Retail Individual Shareholders and employees are entitled to Bid at the Cut-off Price. No other category of Bidders/Applicants are entitled to Bid at the Cut-off Price
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) 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 Bidders/Applicants (exc Anchor Investor) and a list of which is available on <a href="http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html">http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html</a>
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the Bid cum Application Forms to Collecting Depository Participants.  The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the respective websites of the Stock Exchanges ( <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> )
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account and the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Bidders/Applicants in the Fresh Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale
Designated Intermediaries / Collecting Agent	Syndicate Members, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and RTAs, who are authorized to collect Bid cum Application Forms from the Bidders, in relation to the Issue
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the Bid cum Application Forms to RTAs.  The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid cum Application Forms are available on the respective websites of the Stock Exchanges ( <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> )
Designated Stock Exchange	The designated stock exchange as disclosed in the RHP/Prospectus of the Issuer
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 promoters. For further details, Bidder/Applicant may refer to the RHP/Prospectus
Equity Shares	Equity Shares of the Issuer
Escrow Account	Account opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors may issue cheques or demand drafts or transfer money through NEFT or RTGS in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement to be entered into among the Issuer, the Selling Shareholders, the Registrar to the Issue, the Book Running Lead Manager(s), the Syndicate Member(s), the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the Bid Amounts from Anchor Investors and where applicable, remitting refunds of the amounts collected to the Anchor Investors on the terms and

Term	Description
	conditions thereof
Escrow Collection Bank(s)	Refer to definition of Banker(s) to the Issue
FCNR Account	Foreign Currency Non-Resident Account
First Bidder/Applicant	The Bidder/Applicant whose name appears first in the Bid cum Application Form or Revision Form
FII(s)	Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
Fixed Price Issue / Fixed Price Process / Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
Floor Price	The lower end of the Price Band, at or above which the Issue Price and the Anchor Investor Issue Price may be finalised and below which no Bids may be accepted, subject to any revision thereto
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Foreign Venture Capital 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
Issuer/Company	The Issuer proposing the initial public offering/further public offering as applicable
Maximum RII Allottees	The maximum number of RIIs who can be Allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid 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
Mutual Funds Portion	5% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the RHP/Prospectus and Bid cum Application Form
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Issue	The Issue less reservation portion
Non-Institutional Investors or NIIs	All Bidders/Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the RHP/Prospectus and the Bid cum Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs 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
Issue	Public issue of Equity Shares of the Issuer including the Offer for Sale if

Term	Description
	applicable
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 Shareholders
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
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted to Bidders other than Anchor Investors, in terms of the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price The Issue Price may be decided by the Issuer and the Selling Shareholders in consultation with the Book Running Lead Manager(s)
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Price Band	Price Band with a minimum price, being the Floor Price and the maximum price, being the Cap Price and includes revisions thereof. The Price Band and the minimum Bid lot size for the Issue may be decided by the Issuer and the Selling Shareholders in consultation with the Book Running Lead Manager(s) and advertised, at least five working days in case of an IPO and one working day in case of FPO, prior to the Bid/Issue Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation
Pricing Date	The date on which the Issuer and the Selling Shareholders in consultation with the Book Running Lead Manager(s), finalise the Issue Price
Prospectus	The prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, 2013 after the Pricing Date, containing the Issue Price, the size of the Issue and certain other information
Public Issue Account	An account opened with the Banker to the Issue to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date
QIB Category	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under SEBI ICDR Regulations, 2009
RTGS	Real Time Gross Settlement
Red Herring Prospectus / RHP	The red herring prospectus issued in accordance with Section 32 of the Companies Act, 2013, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue. The RHP may be filed with the RoC at least three working days before the Bid/ Issue Opening Date and may become a Prospectus upon filing with the RoC after the Pricing Date. In case of issues undertaken through the fixed price process, all references to the RHP should be construed to mean the Prospectus
Refund Account(s)	The account opened with Refund Bank(s), from which refunds to Anchor Investors, if any, of the whole or part of the Bid Amount may be made
Refund Bank(s)	Refund bank(s) as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Refunds through electronic transfer of funds	Refunds through Direct Credit, NEFT, RTGS or ASBA, as applicable
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Issue /RTO	The Registrar to the Issue as disclosed in the RHP/Prospectus and Bid cum Application Form
Reserved Category / Categories	Categories of persons eligible for making application/Bidding under reservation portion
Reservation Portion	The portion of the Issue reserved for such category of eligible Bidders/Applicants as provided under the SEBI ICDR Regulations, 2009

Term		Description
Retail Investors/RIIs	Individual	Investors who applies or bids for a value of not more than ₹ 200,000 (including HUFs applying through their karta and eligible NRIs and does not include NRIs other than Eligible NRIs).
Retail Shareholders	Individual	Shareholders of a listed Issuer who applies or bids for a value of not more than ₹ 200,000.
Retail Category		The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum Bid Lot, subject to availability in RII category and the remaining shares to be Allotted on proportionate basis.
Revision Form		The form used by the Bidders, including ASBA Bidders, in an issue through Book Building Process to modify the quantity of Equity Shares and/or bid price indicated therein in any of their Bid cum Application Forms or any previous Revision Form(s)
RoC		The Registrar of Companies
SEBI		The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations, 2009		The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Self Certified Syndicate Bank(s) or SCSB(s)		A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on <a href="http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html">http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html</a>
Specified Locations		Refer to definition of Broker Centres
Stock Exchanges / SE		The stock exchanges as disclosed in the RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Syndicate		The Book Running Lead Manager(s) and the Syndicate Member
Syndicate Agreement		The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of Bid cum Application Forms by Syndicate Members
Syndicate Member(s) / SM		The Syndicate Member(s) as disclosed in the RHP/Prospectus
Underwriters		The Book Running Lead Manager(s) and the Syndicate Member(s)
Underwriting Agreement		The agreement amongst the Issuer, and the Underwriters to be entered into on or after the Pricing Date
Working Day		Any day, other than 2nd and 4th Saturday of the month, Sundays or public holidays, on which commercial banks in Mumbai are open for business, provided however, with reference to (a) announcement of Price Band; and (b) Bid/ Issue Period, "Working Days" shall mean all days, excluding Saturdays, Sundays and public holidays, which are working days for commercial banks in India.

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are FIPB and the RBI.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP"), issued consolidated FDI Policy, which with effect from August 28, 2017 consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on August 28, 2017. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, the Consolidation FDI Policy will be valid until the DIPP issues an updated circular.

The transfer of shares by an Indian resident to a Non-Resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI/RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

**The Equity Shares offered in the Issue have not been and will not be registered under the Securities Act, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold (i) within the United States to persons reasonably believed to be "qualified institutional investors" (as defined in Rule 144A under the Securities Act) pursuant to Rule 144A under the Securities Act or other applicable exemption under the Securities Act and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdictions where such offers and sales occur.**

**The above information is given for the benefit of the Applicants. Our Company, the Selling Shareholders 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 X – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

*Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Table F in Schedule I of the Companies Act, 2013 and the SEBI Regulations, the main provisions of the Articles of Association of our Company are detailed below:*

*These Articles of Association were adopted in substitution for and to the entire exclusion of the earlier Articles of Association at the Extra-ordinary General Meeting of the Company held on April 06, 2018.*

### ***Public Company***

3. The company is a Public Company within the meaning of section 2(71) of the Companies Act, 2013.

### ***Share capital and variation of rights***

4. (i) The Authorized Share Capital of the Company shall be as laid down in Memorandum of Association of the Company.

(ii) Subject to the provisions of the Companies Act 2013 and the applicable Rules made thereunder, the Company / Board shall have power to issue / allot shares, whether on preferential basis or otherwise, from time to time and the shares shall be under the control of the Directors who may allot or otherwise dispose off the same to such persons, on such terms and conditions and at such times as the Directors think fit.

5. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided:—

(a) One certificate for all his shares without payment of any charges; or

(b) Several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

(ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

(iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

6. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

(ii) The company may issue new share certificates pursuant to consolidation or sub division of share certificate(s) upon written request received from shareholder together with production and surrender of respective original share certificate(s). Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

(iii) The provisions of Articles (5) and (6) shall mutatis mutandis apply to debentures of the company.

7. Except as required by law, no person shall be recognized by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.



8. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.  
  
(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.  
  
(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
9. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48 and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.  
  
(ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
10. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.
11. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

#### ***Lien***

12. (i) The Company shall have a first and paramount lien—
  - (a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
  - (b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

  - (ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
  - (iii) The fully paid shares shall be free from all lien and that in the case of partly paid shares the Company's lien shall be restricted to monies called or payable at a fixed time in respect of such shares.
13. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:  
  
Provided that no sale shall be made—
  - (a) unless a sum in respect of which the lien exists is presently payable; or
  - (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

14. (i) To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.
- (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- (iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
15. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- (ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

#### *Calls on shares*

16. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:
- Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.
- (ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.
- (iii) A call may be revoked or postponed at the discretion of the Board.
- (iv) The option or right to make call on shares shall not be given to any person except with the sanction of the Company in General Meetings. That is, it may delegate power to make calls on shares subject to approval of the shareholders in a general meeting of the company.
17. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.
18. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
19. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. Per annum or at such lower rate, if any, as the Board may determine.
- (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
20. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- (ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
21. The Board—
- (a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance but shall not confer a right to dividend or to participate in profits.

#### *Transfer of shares*

22. (i) The Company shall use a Common form of transfer. The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.
- (ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
23. The Board may, subject to the right of appeal conferred by section 58 decline to register—
- (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
- (b) any transfer of shares on which the company has a lien.
24. The Board may decline to recognize any instrument of transfer unless—
- (a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
- (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
- (c) the instrument of transfer is in respect of only one class of shares.
25. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:
- Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.
26. Subject to the provisions of Section 59 of Companies Act, 2013, the Board may decline to register any transfer of Shares on such grounds as it think fit in the benefit of the company (notwithstanding that the proposed transferee be already a Member), but in such case it shall, within two (2) months from the date the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal to register such transfer giving reasons for such refusal. Provided that registration of a transfer shall 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.

#### *Transmission of Shares*

27. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the company as having any title to his interest in the shares.
- (ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
28. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—
- (a) to be registered himself as holder of the share; or

- (b) to make such transfer of the share as the deceased or insolvent member could have made.
- (ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
29. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
- (ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- (iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
30. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

#### *Forfeiture of Shares*

31. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.
32. The notice aforesaid shall—
- (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
- (b) State that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
33. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
34. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
35. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.
- (ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

36. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.
- (ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of.
- (iii) The transferee shall thereupon be registered as the holder of the share; and
- (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
37. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

#### *Alteration of Capital*

38. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution. The Authorised Share Capital shall be as per the clause V (a) of Memorandum of Association of the company.
39. Subject to the provisions of section 61, the company may, by ordinary resolution,—
- (a) increase its authorized share capital by such amount as it thinks expedient.
- (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (c) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
- (d) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
- (e) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
40. Where shares are converted into stock,—
- (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:
- Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
- (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
- (c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

41. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—
- (a) its share capital;
  - (b) any capital redemption reserve account; or
  - (c) any share premium account.

*Capitalisation of profits*

42. (i) The company in general meeting may, upon the recommendation of the Board resolve—
- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, Securities Premium Accounts or otherwise available for distribution; and
  - (b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—
- A. paying up any amounts for the time being unpaid on any shares held by such members respectively;
  - B. paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
  - C. partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
  - D. A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
  - E. The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
43. (i) whenever such a resolution as aforesaid shall have been passed, the Board shall—
- a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
  - b) Generally do all acts and things required to give effect thereto.
- (ii) The Board shall have power—
- a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable infractions; and
  - b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
- (iii) Any agreement made under such authority shall be effective and binding on such members.



### *Dematerialisation of Securities*

44. (i) **For the purpose of this Article:-**

“Beneficial Owner”: Beneficial Owner shall have the meaning assigned thereto in section 2(1)(a) of the Depositories Act, 1996.

“Depositories Act”: Depositories Act shall mean the Depositories Act, 1996 and includes any statutory modification or re-enactment thereof for the time being in force.

“Depository”: Depository shall mean a Depository as defined in section 2(1)(e) of the Depositories Act, 1996.

“Member”: Member shall mean a duly registered holder from time to time of the security of the company and includes every person whose name is entered as beneficial owner in the records of the Depository.

“Security”: Security shall mean such security as may be specified by SEBI.

(ii) **"Dematerialisation of Securities"**: Notwithstanding anything on the contrary contained in this Article, the company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form and further to rematerialise the securities held on depository pursuant to the Depositories Act, 1996 or any amendment thereof.

(iii) **"Option to hold securities in physical form or with depository"**: Every person holding securities of the company through allotment or otherwise shall have the option to receive and hold the same in the dematerialised form with a depository.

(iv) **"Beneficial Owner may opt out of a Depository"**: Every person holding securities of the company with a depository, being the beneficial owner thereof, may at any time opt out of the depository in the manner provided under the provisions of the Depositories Act and the Rules, if any, prescribed there under and on fulfillment of the conditions prescribed by the company from time to time, company shall issue the relevant security certificates to the beneficial owner thereof.

(v) **"Securities in Depositories to be in fungible form"**: All securities held by a depository shall be dematerialised and shall be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372A of the Companies Act, shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

(vi) **"Rights of depository and beneficial owners"**: A depository shall be deemed to be the registered owner for the purposes of affecting the transfer of ownership of securities on behalf of the beneficial owners and shall not have any voting rights or any other rights in respect of the securities held by it.

(vii) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all rights and benefits and be subject to all the liabilities in respect of his/her securities, which are held by a depository.

(viii) **"Transfer of securities"**: Transfer of security held in a depository will be governed by the provisions of the Depository Act, 1996. Nothing contained in Section 56 of the Companies Act, 2013 or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.

(ix) **"Register and Index of beneficial owners"**: The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of Members and Security holders for the purpose of these Articles.

- (x) **"Other matters":** Notwithstanding anything contained in these Articles, the provision of Depositories Act, 1996 relating to dematerialisation of securities including any modification(s) or re-enactment thereof and Rules/Regulations made there under shall prevail accordingly.
- (xi) Notwithstanding anything contained in the Act or the Articles, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the company by means of electronic mode or by delivery of floppies or disks.

#### ***Nomination***

- 45. Notwithstanding anything contained in Articles, every holder of shares(s) or debenture(s) of the Company may, at any time, nominate, in the prescribed manner, a person to whom these share(s) shall vest in the event of his death and the provisions of Section 109A and Section 109B of the Companies Act, 1956 shall apply in respect of such nomination.

The provisions of this Article shall apply mutatis mutandis to a depository of money with the Company as per the provisions of the Act.

#### ***Buy-Back of Shares***

- 46. 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.

#### ***General Meetings***

- 47. All general meetings other than Annual General Meeting shall be called extraordinary general meeting.
- 48. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.
  - (ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

#### ***Proceedings at General Meetings***

- 49. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
  - (ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
- 50. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
- 51. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
- 52. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

#### ***Adjournment of Meeting***

- 53. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

### ***Voting Rights***

54. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—

(a) on a show of hands, every member present in person shall have one vote; and

(b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

55. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

56. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

57. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

58. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

59. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

60. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

### ***Proxy***

61. 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.

62. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

63. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

#### ***Board of Directors***

64. The minimum number of Directors shall be 3 and maximum number of directors shall be 15.  
The First Directors of the Company at the time of Incorporation were:

1. Mr. Ankit Kumar Agarwal
2. Mr. Dinesh Kumar Agarwal

65. (i) Subject to the provisions of the Act, the Company may pay any remuneration, as determined by the Board of Directors / General Meeting to all or any of its Directors for the services rendered by them / him in day to day management of the affairs of the company or any other type of services, whether professional in nature or not, for any of the purposes of the company, either by a fixed sum on monthly or annual basis and / or perquisites and / or a percentage of the profits or otherwise as may be determined by the Board or the members in General Meeting.

The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—

(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

(b) in connection with the business of the company.

66. The Board may pay all expenses incurred in getting up and registering the company.
67. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.
68. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
69. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
70. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.
- (ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

#### ***Proceedings of the Board***

71. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
- (ii) Subject to the Articles herein, a director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

- (iii) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- (iv) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
72. 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.
73. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.
74. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
75. (i) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
76. A committee may elect a Chairperson of its meetings.
77. 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.
78. (i) A committee may meet and adjourn as it thinks fit.
- (ii) 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.
79. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
80. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

***Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer***

81. Subject to the provisions of the Act,—
- (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may 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;
- (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

82. 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 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.

#### ***Managing Director***

83. The business of the Company may be carried on by the Managing Director(s) who may be appointed by the Board of Directors / members in their General Meeting, from time to time who shall fix the terms, qualifications, remuneration, duties, authorities and powers. The Board may from time to time and subject to the provisions of the Act delegate to the Managing Director(s) such of their powers and duties and subject to such limitations and conditions as they may deem fit. The Board may from time to time, revoke, withdraw, alter or vary all or any of the powers conferred on him or dismiss him from office and appoint another in his place.
84. Subject to the provisions of section 179 and 180 of the Companies Act, 2013, the Managing Director of the Company, if any, shall be empowered to carry on the day to day business affairs of the Company. He shall have the general control, management and superintendence of the business of the Company with power to appoint and to dismiss employees and to enter into contracts on behalf of the Company in the ordinary course of business and to do and perform all other acts, deeds and things which in the ordinary course of business may be considered necessary/proper or in the interest of the Company.

#### ***The Seal***

85. (i) The Board shall provide for the safe custody of the seal.
- (ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

#### ***Dividends and Reserve***

86. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
87. 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.
88. (i) 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, think fit.
- (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
89. (i) 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.
- (ii) 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.



(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

90. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
91. (i) 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.
- (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent
92. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
93. 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.
94. No dividend shall bear interest against the company.
95. No unclaimed Dividend shall be forfeited before the claim becomes barred by law, and unclaimed Dividends shall be dealt with in accordance with the applicable provisions of the Act

#### ***Accounts***

96. (i) 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.
- (ii) 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.

#### ***Winding Up***

97. 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.
98. 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.
99. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

#### ***Indemnity***

100. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

## SECTION XI – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by the Company (not being contracts entered into in the ordinary course of business carried on by the Company or contracts entered into more than two years before the date of this Prospectus) which are or may be deemed material have been attached to the copy of the Prospectus delivered to the RoC for registration. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from Issue Opening Date until the Issue Closing Date.

#### A. Material Contracts

1. Memorandum of Understanding dated May 10, 2018 and addendum dated June 21, 2018 between our Company, the Selling Shareholder and the Lead Manager.
2. Memorandum of Understanding dated May 10, 2018 between our Company, the Selling Shareholders and the Registrar to the Issue.
3. Escrow Agreement June 07, 2018 between our Company, the Selling Shareholders, the Lead Manager, Banker to the Issue and the Registrar to the Issue.
4. Market Making Agreement dated May 10, 2018 and addendum dated June 21, 2018 between our Company, the Lead Manager and the Market Maker.
5. Underwriting Agreement dated May 10, 2018 and addendum dated June 21, 2018 between our Company, the Selling Shareholder, the Lead Manager and the Market Maker.
6. Share Escrow Agreement dated June 05, 2018 between the Selling Shareholders, our Company, the Lead Manager and the Escrow Agent.
7. Tripartite agreement between the NSDL, our Company and the Registrar dated June 19, 2018.
8. Tripartite agreement between the CDSL, our Company and the Registrar dated June 15, 2018.

#### B. Material Documents

1. Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
2. Copy of Certificates of Incorporation of Supershakti Metaliks Limited.
3. Resolution of the Board of Directors meeting dated May 04, 2018 authorizing the Issue.
4. Shareholders' resolution passed at an Annual General Meeting dated May 10, 2018 authorizing the Issue.
5. Peer Review Auditor's report for Restated Financials dated June 18, 2018 included in this Prospectus.
6. The Statement of Tax Benefits dated May 10, 2018 from our Statutory Auditor.
7. Consent of our Directors, Chief Financial Officer, Company Secretary and Compliance Officer, the Selling Shareholders, Statutory Auditor, Banker(s) to the Issue, Bankers to the Company, Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Share Escrow Agent, Market Maker and Underwriters as referred to in their specific capacities.
8. Due Diligence Certificate(s) dated July 05, 2018 of the Lead Manager to be submitted to SEBI along with the filing of the Prospectus.

9. Approval from BSE vide letter dated June 22, 2018 to use the name of BSE in this Offer Document for listing of Equity Shares on the SME Platform of the BSE.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## DECLARATION

We, hereby declare that, all the relevant provisions of the Companies Act, 1956, Companies Act, 2013 (to the extent notified) and the guidelines issued by the Government of India or the regulations or guidelines issued by the Securities and Exchange Board of India, 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, 1956, Companies Act, 2013 (to the extent notified), the Securities and Exchange Board of India Act, 1992, each as amended or rules made there under or guidelines / regulations 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 THE DIRECTORS OF OUR COMPANY:

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**Mr. Dilipp Agarwal**  
*Chairman & Non- Executive Director*

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**Mr. Deepak Agarwal**  
(as the duly constituted power of attorney holder of  
**Mr. Ajay Kumar Bajaj, Whole Time Director**)

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**Mr. Deepak Agarwal**  
*Non- Executive Director*

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**Mr. Vijay Kumar Bhandari**  
*Non-Executive Independent Director*

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**Mrs. Bhawna Khanna**  
*Non-Executive Independent Director*

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**Mr. Tuhinanshu Shekhar Chakrabarty**  
*Non-Executive Independent Director*

### SIGNED BY THE CHIEF FINANCIAL OFFICER:

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**Mr. Shyam S Somani**  
*Chief Financial Officer*

### SIGNED BY THE COMPANY SECRETARY AND COMPLIANCE OFFICER:

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**Mr. Navin Agarwal**  
*Company Secretary and Compliance Officer*

Date: July 05, 2018  
Place: Kolkata

## **DECLARATION**

The undersigned Selling Shareholder hereby certifies that all statements and undertakings made in this Prospectus about or in relation to them and the Equity Shares being offered by us in the Issue are true and correct, provided however, that the undersigned Selling Shareholder assumed no responsibility for any of the Statements or undertakings made by the Company or any other Selling Shareholders or any expert or any other person(s) in this Prospectus.

### **SIGNED BY THE SELLING SHAREHOLDER:**

\_\_\_\_\_ **Mr. Sitaram Agarwal**

Date: July 05, 2018

Place: Kolkata

## **DECLARATION**

The undersigned Selling Shareholder hereby certifies that all statements and undertakings made in this Prospectus about or in relation to them and the Equity Shares being offered by us in the Issue are true and correct, provided however, that the undersigned Selling Shareholder assumed no responsibility for any of the Statements or undertakings made by the Company or any other Selling Shareholders or any expert or any other person(s) in this Prospectus.

### **SIGNED BY THE SELLING SHAREHOLDER:**

\_\_\_\_\_  
**Mrs. Sabita Agarwal**

Date: July 05, 2018  
Place: Kolkata



## **DECLARATION**

The undersigned Selling Shareholder hereby certifies that all statements and undertakings made in this Prospectus about or in relation to them and the Equity Shares being offered by us in the Issue are true and correct, provided however, that the undersigned Selling Shareholder assumed no responsibility for any of the Statements or undertakings made by the Company or any other Selling Shareholders or any expert or any other person(s) in this Prospectus.

### **SIGNED BY THE SELLING SHAREHOLDER:**

\_\_\_\_\_  
**Mrs. Vibha Agarwal**

Date: July 05, 2018

Place: Kolkata

## **DECLARATION**

The undersigned Selling Shareholder hereby certifies that all statements and undertakings made in this Prospectus about or in relation to them and the Equity Shares being offered by us in the Issue are true and correct, provided however, that the undersigned Selling Shareholder assumed no responsibility for any of the Statements or undertakings made by the Company or any other Selling Shareholders or any expert or any other person(s) in this Prospectus.

### **SIGNED BY THE SELLING SHAREHOLDER:**

\_\_\_\_\_ **Mrs. Priti Agarwal**

Date: July 05, 2018

Place: Kolkata

## DECLARATION

The undersigned Selling Shareholder hereby certifies that all statements and undertakings made in this Prospectus about or in relation to them and the Equity Shares being offered by us in the Issue are true and correct, provided however, that the undersigned Selling Shareholder assumed no responsibility for any of the Statements or undertakings made by the Company or any other Selling Shareholders or any expert or any other person(s) in this Prospectus.

### SIGNED BY THE SELLING SHAREHOLDER:

For and on behalf of **Deepak Agarwal (HUF)**  
**Mr. Deepak Agarwal, Karta**

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Date: July 05, 2018  
Place: Kolkata

## DECLARATION

The undersigned Selling Shareholder hereby certifies that all statements and undertakings made in this Prospectus about or in relation to them and the Equity Shares being offered by us in the Issue are true and correct, provided however, that the undersigned Selling Shareholder assumed no responsibility for any of the Statements or undertakings made by the Company or any other Selling Shareholders or any expert or any other person(s) in this Prospectus.

### SIGNED BY THE SELLING SHAREHOLDER:

For and on behalf of **Dilipp Agarwal (HUF)**  
**Mr. Dilipp Agarwal, Karta**

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Date: July 05, 2018  
Place: Kolkata

## DECLARATION

The undersigned Selling Shareholder hereby certifies that all statements and undertakings made in this Prospectus about or in relation to them and the Equity Shares being offered by us in the Issue are true and correct, provided however, that the undersigned Selling Shareholder assumed no responsibility for any of the Statements or undertakings made by the Company or any other Selling Shareholders or any expert or any other person(s) in this Prospectus.

### SIGNED BY THE SELLING SHAREHOLDER:

For and on behalf of **Sitaram Agarwal (HUF)**  
**Mr. Sitaram Agarwal, Karta**

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Date: July 05, 2018  
Place: Kolkata

## **DECLARATION**

The undersigned Selling Shareholder hereby certifies that all statements and undertakings made in this Prospectus about or in relation to them and the Equity Shares being offered by us in the Issue are true and correct, provided however, that the undersigned Selling Shareholder assumed no responsibility for any of the Statements or undertakings made by the Company or any other Selling Shareholders or any expert or any other person(s) in this Prospectus.

**SIGNED BY THE SELLING SHAREHOLDER:**  
**For Crawford Plantations Private Limited**

**Mrs. Priti Agarwal**  
**(DIN: 00343920)**

Address: 39, Shakespeare Sarani 3rd Floor, Premlata  
Building, Kolkata, West Bengal - 700 017.

Date: July 05, 2018  
Place: Kolkata