



**RANJEET MECHATRONICS LIMITED**



Our Company was originally incorporated as “Ranjeet Electric Private Limited” at Ahmedabad on June 10, 1993, under the provisions of the Companies Act, 1956 vide Certificate of Incorporation issued by the Assistant Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Later on, the name of our Company was changed from “Ranjeet Electric Private Limited” to “Ranjeet Mechatronics Private Limited” and certificate to that effect was issued by Deputy Registrar of Companies, Registrar of Companies, Ahmedabad on February 3, 2016. Consequent up on the conversion of our Company from Private Limited Company to Public Limited Company, the name of our Company was changed to “Ranjeet Mechatronics Limited” and fresh Certificate of Incorporation was issued by the Deputy Registrar of Companies, Registrar of Companies, Ahmedabad on May 28, 2018. For details of change in name and registered office of our Company, please refer to section titled “History and Certain Corporate Matters” beginning on page no. 106 of this Draft Prospectus.

**CIN:** U31100GJ1993PLC019635

**Registered office:** Block A, 407 - 4th Floor, Dev Aurum, Anand Nagar Cross Road, Prahladnagar Road, Ahmedabad – 380 015, Gujarat

**Telephone No.:** +91 – 79 – 4000 9390; **Website:** www.ranjeet.co.in; **E-Mail:** cs.compliance@ranjeet.co.in

**Company Secretary and Compliance Officer:** Mrs. Falguni Patel

<b>PROMOTERS OF THE COMPANY: MR. RAKESH VALLABHBHAI SWADIA AND MR. DEVARSHI RAKESH SWADIA</b>	
<b>THE ISSUE</b>	
<p><b>PUBLIC ISSUE OF 18,00,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH OF RANJEET MECHATRONICS LIMITED (“RANJEET” OR THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹ 25 PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ 15 PER EQUITY SHARE (THE “ISSUE PRICE”) AGGREGATING TO ₹ 450.00 LAKH (“THE ISSUE”), OF WHICH 96,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH FOR CASH AT A PRICE OF ₹ 25 PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ 15 PER EQUITY SHARE AGGREGATING TO ₹ 24.00 LAKH WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION i.e. NET ISSUE OF 17,04,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AT A PRICE OF ₹ 25 PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ 15 PER EQUITY SHARE AGGREGATING TO ₹ 426.00 LAKH IS HEREIN AFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 27.27% AND 25.82% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.</b></p>	
<p><b>THIS ISSUE IS BEING IN TERMS OF CHAPTER XB OF THE SEBI (ICDR) REGULATIONS, 2009 AS AMENDED FROM TIME TO TIME.</b></p> <p>For further details see “Terms of the Issue” beginning on page no. 195 of this Draft Prospectus.</p>	
<p>All the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment providing details about the bank account which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) as per the SEBI circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015. For further details, please refer to section titled “Issue Procedure” beginning on page no. 202 of this Draft Prospectus. In case of delay, if any, in refund, our Company shall pay interest on the application money at the rate of 15% per annum for the period of delay.</p>	
<p><b>THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH AND THE ISSUE PRICE IS ₹ 25. THE ISSUE PRICE IS 2.5 TIMES OF THE FACE VALUE.</b></p>	
<b>RISK IN RELATION TO THE FIRST ISSUE</b>	
<p>This being the first Public Issue of our Company, there has been no formal market for the securities of our Company. The face value of the Equity Shares is ₹ 10 per Equity Shares and the Issue price is 2.5 times of the face value. The Issue Price (as determined by our Company in consultation with the Lead Manager) as stated in the chapter titled on “Basis for Issue Price” beginning on page no. 65 of this Draft Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the equity shares of our Company or regarding the price at which the Equity Shares will be traded after listing.</p>	
<b>GENERAL RISKS</b>	
<p>Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Draft Prospectus. Specific attention of the investors is invited to the section titled “Risk Factors” beginning on page no. 9 of this Draft Prospectus.</p>	
<b>ISSUER’S ABSOLUTE RESPONSIBILITY</b>	
<p>The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.</p>	
<b>LISTING</b>	
<p>The Equity Shares offered through this Draft Prospectus are proposed to be listed on SME Platform of BSE Limited. In terms of the Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, our Company has received in principle approval letter dated [●] from BSE Limited (“BSE”) for using its name in this offer document for listing our shares on the SME Platform of BSE. For the purpose of this Issue, the designated Stock Exchange will be the BSE Limited.</p>	
<b>LEAD MANAGER</b>	<b>REGISTRAR TO THE ISSUE</b>
 <p><b>BEELINE BROKING LIMITED</b> SEBI Registration Number: INM000012546 Address: B-307, Ganesh Plaza, Near Navarangpura Bus Stop, Navarangpura, Ahmedabad – 380 009 Telephone Number: +91 79 6666 4007 Email Id: mb@beelinebroking.com Investors Grievance Id: ig@beelinebroking.com Website: www.beelinebroking.com Contact Person: Mr. Vanesh Panchal CIN: U51900GJ2014PLC080598</p>	 <p><b>ALANKIT ASSIGNMENTS LIMITED</b> SEBI Registration Number: INR000002532 Address: 205-208, Anarkali Complex, Jhandewalan Extn., New Delhi – 110 055, India Telephone Number: +91 11 4254 1234; 2354 1234; Fax Number: +91 11 4154 3474 Website: www.alankit.com; Email Id: ipo@alankit.com Investors Grievance Id: ranjeet_igr@alankit.com Contact Person: Mr. Pankaj Goenka/ Mr. Bojiman K H CIN: U74210DL1991PLC042569</p>
<b>ISSUE PROGRAMME</b>	
<b>ISSUE OPENS ON: [●]</b>	<b>ISSUE CLOSES ON: [●]</b>

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

Term	Description
“RANJEET”, “our Company”, “we”, “us”, “our”, “the Company”, “the Issuer Company” or “the Issuer”	Ranjeet Mechatronics Limited, a public limited company, registered under the Companies Act, 1956 and having its registered office at Block A, 407 - 4th Floor, Dev Aurum, Anand Nagar Cross Road, Prahladnagar Road, Ahmedabad – 380 015, Gujarat.
Our Promoters	Mr. Rakesh Vallabhbhai Swadia and Mr. Devarshi Rakesh Swadia
Promoters’ Group	Companies, individuals and entities (other than companies) as defined under Regulation 2(1)(zb) of the SEBI ICDR Regulations which is provided in the chapter titled “Our Promoters and Promoters Group”.

### COMPANY RELATED TERMS

Term	Description
Articles / Articles of Association/AOA	Articles of Association of our Company.
Auditor	The Statutory Auditor of our Company, being M/s. Philip Fernandes & Co., Chartered Accountants.
Board of Directors / Board	The Board of Directors of Ranjeet Mechatronics Limited unless otherwise specified.
Companies Act	Companies Act, 1956 and/ or the Companies Act, 2013, as amended from time to time.
CMD	Chairman cum Managing Director
Depositories Act	The Depositories Act, 1996, as amended from time to time
Equity Shares	Equity Shares of our Company of Face Value of ₹ 10/- each unless otherwise specified in the context thereof
ED	Executive Director
Indian GAAP	Generally Accepted Accounting Principles in India
Key Managerial Personnel / Key Managerial Employees	The officer vested with executive power and the officers at the level immediately below the Board of Directors as described in the section titled “Our Management” on page no. 111 of this Draft Prospectus.
MOA/ Memorandum / Memorandum of Association	Memorandum of Association of our Company as amended from time to time
Non Residents	A person resident outside India, as defined under FEMA
NRIs / Non Resident Indians	A person resident outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Outside India Regulation, 2000.
Peer Review Auditor	The Peer Review auditors of our Company, being M/s. Mistry & Shah, Chartered Accountants.
Registered Office	The Registered office of our Company located at Block A, 407 - 4th Floor, Dev Aurum, Anand Nagar Cross Road, Prahladnagar Road, Ahmedabad – 380 015, Gujarat.
ROC / Registrar of Companies	Registrar of Companies, Ahmedabad.
WTD	Whole-Time Director

### ISSUE RELATED TERMS

Terms	Description
Applicant	Any prospective investor who makes an application for Equity Shares in terms of this Draft Prospectus.
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of our Company.
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by applicants to make an application authorising a SCSB to block the application amount in the ASBA Account maintained with the SCSB.

Terms	Description
ASBA Account	An account maintained with the SCSB and specified in the application form submitted by ASBA applicant for blocking the amount mentioned in the application form.
Allotment	Issue of the Equity Shares pursuant to the Issue to the successful applicants
Allottee	The successful applicant to whom the Equity Shares are being / have been issued
Basis of Allotment	The basis on which equity shares will be allotted to successful applicants under the Issue and which is described in the section "Issue Procedure - Basis of allotment" on page no. 218 of this Draft Prospectus
Bankers to our Company	HDFC Bank Limited
Bankers to the Issue and Refund Banker	[•]
Depository	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Draft Prospectus	The Draft Prospectus dated August 1, 2018 issued in accordance with Sections 26 and 32 of the Companies Act filed with the BSE Limited under SEBI(ICDR) Regulations, 2009
Eligible NRI	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Draft Prospectus constitutes an invitation to subscribe to the Equity Shares Allotted herein
Engagement Letter	The engagement letter dated June 29, 2018 between our Company and the LM
Issue Opening Date	The date on which the Issue opens for subscription.
Issue Closing date	The date on which the Issue closes for subscription.
Issue Period	The periods between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants may submit their application
IPO	Initial Public Offering
Issue / Issue Size / Public Issue	The Public Issue of 18,00,000 Equity Shares of ₹ 10/- each at ₹ 25/- per Equity Share including share premium of ₹ 15/- per Equity Share aggregating to ₹ 450.00 Lakh by Ranjeet Mechatronics Limited.
Issue Price	The price at which the Equity Shares are being issued by our Company through this Draft Prospectus, being ₹ 25/-.
LM / Lead Manager	Lead Manager to the Issue, in this case being Beeline Broking Limited.
Listing Agreement	Unless the context specifies otherwise, this means the SME Equity Listing Regulation to be signed between our company and the SME Platform of BSE.
Market Maker	Market Maker in this case, being Beeline Broking Limited.
Market Making Agreement	The Agreement entered into between the Market Maker and our Company dated June 30, 2018.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 17,04,000 Equity Shares of ₹ 10/- each at ₹ 25/- per Equity Share including share premium of ₹ 15/- per Equity Share aggregating to ₹ 426.00 Lakh by Ranjeet Mechatronics Limited.
Prospectus	The Prospectus, to be filed with the ROC, Stock Exchange and SEBI containing, inter alia, the Issue opening and closing dates and other information
Public Issue Account	An Account of the Company under Section 40 of the Companies Act, 2013 where the funds shall be transferred by the SCSBs from bank accounts of the ASBA Investors
Qualified Institutional Buyers / QIBs	Mutual Funds, Venture Capital Funds, or Foreign Venture Capital Investors registered with the SEBI; FIIs and their sub-accounts registered with the SEBI, other than a subaccount which is a foreign corporate or foreign individual; Public financial institutions as defined in Section 2(72) of the Companies Act; Scheduled Commercial Banks; Multilateral and Bilateral Development Financial Institutions; State Industrial Development Corporations; Insurance Companies registered with the Insurance Regulatory and Development Authority; Provident Funds with minimum corpus of ₹ 2,500 Lakh; Pension Funds with minimum corpus of ₹ 2,500 Lakh; National Investment Fund set up by resolution F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India;

Terms	Description
	and Insurance Funds set up and managed by the army, navy, or air force of the Union of India. Insurance Funds set up and managed by the Department of Posts, India
Refund Account	Account opened / to be opened with a SEBI Registered Banker to the Issue from which the refunds of the whole or part of the Application Amount, if any, shall be made
Registrar / Registrar to the Issue	Registrar to the Issue being Alankit Assignments Limited.
Registrar of Companies/RoC	Registrar of Companies, in this case being Registrar of Companies, Ahmedabad
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009 as amended from time to time.
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than ₹ 2,00,000
SCSB	A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and offers the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a>
SME Platform of BSE Limited	The SME Platform of BSE Limited for listing of equity shares offered under Chapter XB of the SEBI (ICDR) Regulations which was approved by SEBI as an SME Exchange on September 27, 2011.
Underwriter	Underwriter to the issue is Beeline Broking Limited.
Underwriting Agreement	The Agreement entered into between the Underwriter and our Company dated June 30, 2018.
Working Days	i. Till Application / Issue closing date: All days other than a Saturday, Sunday or a public holiday; ii. Post Application / Issue closing date and till the Listing of Equity Shares: All trading days of stock exchanges excluding Sundays and bank holidays in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

#### TECHNICAL AND INDUSTRY RELATED TERMS

Term	Description
AIIB	Asian Infrastructure Investment Bank
AMRUT	Atal Mission For Rejuvenation And Urban Transformation
CAGR	Compound Annual Growth Rate
CCTV	Closed-Circuit Television
CCTV System	Closed Circuit Television System
Co2	Carbon Dioxide
DP World	Dubai Ports World
EM7	Seven Largest Emerging Markets
EMDEs	Emerging Market And Developing Economies
ERW PIPE	Electric Resistance Welded Pipe
FAS	Fire Alarm Systems
GST	Goods And Service Tax
GVA	Gross Value Added
H. V. W. S. SYSTEMS	High Velocity Water Spray Systems
IMF	International Monetary Fund
LCD	Liquid Crystal Display
LED	Light Emitting Diode
M. V. W. S. SYSTEMS	Medium Velocity Water Spray Systems
NDB	New Development Bank
NIIF	National Investment & Infrastructure Fund
PA System	Public Announcement System



Term	Description
SEIS	Services Exports From India Scheme
TFA	Trade Facilitation Agreement
UAE	United Arab Emirates
WEO	World Economic Outlook
WTO	World Trade Organization

#### CONVENTIONAL AND GENERAL TERMS/ ABBREVIATIONS

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

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

Term	Description
SEBI Rules and Regulations	SEBI (ICDR) Regulations, 2009, SEBI (Underwriters) Regulations, 1993, as amended, the SEBI (Merchant Bankers) Regulations, 1992, as amended, and any and all other relevant rules, regulations, guidelines, which SEBI may issue from time to time, including instructions and clarifications issued by it from time to time
Sec.	Section
Securities Act	The U.S. Securities Act of 1933, as amended
S&P BSE SENSEX	S&P Bombay Stock Exchange Sensitive Index
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small and Medium Enterprises
Stamp Act	The Indian Stamp Act, 1899, as amended from time to time
State Government	The Government of a State of India
Stock Exchanges	Unless the context requires otherwise, refers to, the BSE Limited
STT	Securities Transaction Tax
TDS	Tax Deducted at Source
TIN	Tax payer Identification Number
UIN	Unique Identification Number
U.S. GAAP	Generally accepted accounting principles in the United States of America
VCFs	<p>Venture capital funds as defined in, and registered with SEBI under, the erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended, which have been repealed by the SEBI AIF Regulations.</p> <p>In terms of the SEBI AIF Regulations, a VCF shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 till the existing fund or scheme managed by the fund is wound up, and such VCF shall not launch any new scheme or increase the targeted corpus of a scheme. Such VCF may seek re-registration under the SEBI AIF Regulations.</p>



## PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

### FINANCIAL DATA

Unless stated otherwise, the financial data in the Draft Prospectus is derived from our audited financial statements for the financial year ended March 31, 2018, 2017, 2016, 2015 and 2014 prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2009 and the Indian GAAP which are included in the Draft Prospectus, and set out in the section titled “Auditors Report and Financial Information of our Company” beginning on page no. 133 of this Draft Prospectus. Our Financial Year commences on April 1 and ends on March 31 of the following year, so all references to a particular Financial Year are to the twelve-month period ended March 31 of that year. In the Draft Prospectus, discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off.

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

Any percentage amounts, as set forth in the sections / chapters titled “Risk Factors”, “Business Overview” and “Management's Discussion and Analysis of Financial Condition and Results of Operations” beginning on page nos. 9, 73 and 170 respectively of this Draft Prospectus and elsewhere in the Draft Prospectus, unless otherwise indicated, have been calculated on the basis of our restated financial statements prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2009 and the Indian GAAP.

### INDUSTRY AND MARKET DATA

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

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

### CURRENCY AND UNITS OF PRESENTATION

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

- ‘Rupees’ or ‘₹’ or ‘Rs.’ or ‘INR’ are to Indian rupees, the official currency of the Republic of India.
- ‘US Dollars’ or ‘US\$’ or ‘USD’ or ‘\$’ are to United States Dollars, the official currency of the United States of America, EURO or “€” are Euro currency,
- All references to the word ‘Lakh’, means ‘One hundred thousand’ and the word ‘Million’ means ‘Ten Lakh’ and the word ‘Crore’ means ‘Ten Million’ and the word ‘Billion’ means ‘One thousand Million’.

## FORWARD LOOKING STATEMENTS

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

All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

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

For further discussion of factors that could cause the actual results to differ from the expectations, see the sections “Risk Factors”, “Business Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on page nos. 9, 74 and 170 respectively of this Draft Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

Forward-looking statements reflect the current views as of the date of this Draft Prospectus and are not a guarantee of future performance. These statements are based on the management’s beliefs and assumptions, which in turn are based on currently available information. Although our Company believes the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. None of our Company, the Directors, the LM, or any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. Our Company and the Directors will ensure that investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange.

## SECTION II

### RISK FACTORS

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

**The Draft Prospectus also contains forward looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of many factors, including the considerations described below and elsewhere in the Draft Prospectus.**

#### MATERIALITY

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

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

#### NOTE:

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

*In this Offer Document, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in "Risk Factors" and elsewhere in this Offer Document unless otherwise indicated, has been calculated on the basis of the amount disclosed in the our restated financial statements prepared in accordance with Indian GAAP.*

#### INTERNAL RISK FACTORS:

- 1. Our Company, Promoter/Director are involved in certain legal proceedings, which if determined against us, could adversely impact financial conditions.**

Our Company, Promoter/Director against whom income tax department has raised demand/notices. Any adverse decision against our Company may adversely affect our financial condition. The summary of outstanding legal and are given in the following table:

(Amount in ₹)

Particular	Nature of cases/Demand	No of outstanding cases/Demand	Amount involved excluding the Interest amount
Litigation against Company	Income Tax	44	15,08,160

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

We require certain statutory and regulatory permits, licenses and approvals etc. to operate our business. We believe that we have obtained all the requisite permits and licenses etc. which are adequate to run our business. If we fail to maintain such registrations and licenses or comply with applicable conditions, then such respective regulatory can impose fine on our company or suspension and/or cancellation the approval/licenses which may affect our business adversely.

Some of the permits, licenses and approvals etc. are granted for a fixed period of time and may expire and for which we may have to make an application for obtaining the approval or its renewal. Failure to renew, maintain or obtain the required permits or approvals in time may result in the interruption of our operations and may have a material adverse effect on our business. Moreover, there can be no assurance that the relevant authorities will issue or renew any of such permits or approvals in time or at all. Further, certain statutory and regulatory may put certain terms and conditions, which are required to be complied with by us. Any default by our Company in complying with the same, may result in inter alia the cancellation of such licenses, consents, authorizations and/or registrations, which may adversely affect our operations.

Moreover, except our registered office premises, our Company has not taken the Shops & Establishments License for various branches of our Company.

Many of the Licenses and approvals in the name of Ranjeet Mechatronics Private Limited; the same are required to be updated/ changed with various government authorities. Our Company is taking necessary steps in this regards.

For more information about the licenses required in our business and the licenses and approvals please refer section "Government and other statutory approvals" appearing on page no. 180 of this Draft Prospectus.

**3. We have not entered into any long-term agreements with our suppliers for supply of items and accordingly may face disruptions in supply from our current suppliers:**

We are engaged in providing Fire Fighting Solutions. For installation of Fire Fighting Equipments, we have to purchase many items such as Seamless Pipes / ERW PIPE, Fire Pumps, Butterfly Valves, Non Return Valves, Foot Valves, Gate Valves, Strainers, Hydrant Valve, Hose Pipe, Branch Pipe, Hose Cabinet, Hose Reel, Fire Extinguishers, Sprinklers, Flexible drops, Deluge Valves, Water Spray Nozzle, Foam Making Branch etc. from the reputed and renowned suppliers.

Identifying a suitable supplier involves a process that requires us to become satisfied with their quality control, consistency, responsiveness and service, financial stability and other ethical practices and specifically they must be reputed suppliers. Typically, we do not enter into long term contracts with our suppliers and prices for these items are normally based on the quotes we receive from various approved suppliers. Any unexpected price fluctuations after placement of orders, shortage, delay in delivery, quality defects, or any factors beyond our control may result in an interruption in the supply of such items which is critical to our business. Any delay, interruption or increased cost in the supply of any items thereof pertaining to our project arising from a lack of long-term contracts could have an adverse effect on our ability to meet our targets and client satisfaction from our service and our business, financial performance and cash flows may be adversely affected. Further, we may not be able to locate alternative suppliers of these items with approved specification on terms acceptable to us, or at all.

**4. Our Company has not filed certain forms under the Companies Act with the ROC. Moreover, certain forms are improperly filed by Our Company. If the authorities impose monetary penalties on us or take certain punitive actions against our Company in relation to the same, our business, financial condition and results of operations could be adversely affected.**

We manage our internal compliance by monitoring and evaluating internal controls, and ensuring all relevant statutory and regulatory compliances. However, there can be no assurance that deficiencies in our internal controls will not arise, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls, in a timely manner or at all. For instance, few relevant forms like Form CHG-1 in respect of Registration of Mortgage on securities for secured Loan and Form MGT-14 in respect of approval of Scheme of Amalgamation. Moreover, certain forms filed by our Company are not proper. Although no show cause notice have been issued against our Company till date in respect of above, in the event of any cognizance being taken by the concerned authorities in respect of above, penal actions may be taken against our Company and its directors, in such event the financials of our Company and our directors may be adversely affected.

**5. Some of our corporate records including certain secretarial records for transfer of Equity Shares and certain forms in relation to years prior to 2000 are not traceable in the record of Company and Registrar of Companies as well.**

We are unable to trace certain corporate and secretarial record for transfer of Equity Shares executed prior to the fiscal year 2000 and annual filing forms prior to year 2000. We cannot assure you that the filings were made in a timely manner and that we shall not be subject to penalties on this account. Further online filing of Roc Documents was initiated in the year 2006 and all forms prior to the said year were physically filed, hence certain of these forms could not be retrieved from Ministry of Corporate Affairs (MCA) portal. We cannot further assure you that we will not be penalized by the relevant supervisory and regulatory authorities in India for not maintaining or executing such documents.

**6. The Company is dependent on few numbers of customers and suppliers for sales and purchase from top 10 customers and suppliers. Loss of any of these large customer and supplier may affect our revenues and profitability.**

Our top ten customers contribute almost 81% and 96% of our total sales for the year ended March 31, 2018 and March 31, 2017 respectively. Out of which almost 34% and 3% was contributed by one of our group entity – “Himgiri Engineers” for the year ended March 31, 2018 and March 31, 2017 respectively.

Further, our top ten suppliers delivered almost 69% and 55% of the total materials purchased for the year ended March 31, 2018 and March 31, 2017 respectively. Out of which our group entities – “Himgiri Engineers” and “Shrividya Engineers” have delivered almost 38% and 13% of total materials purchased for the year ended March 31, 2018 and March 31, 2017 respectively.

Any decline in our quality standards, growing competition and any change in the demand, may adversely affect our ability to retain them. We cannot assure that we shall generate the same quantum of business, or any business at all, and the loss of business from one or more of them may adversely affect our revenues and results of operations. However, the composition and revenue generated from these customers might change as we continue to add new customers in the normal course of business. Though we believe that we will not face substantial challenges in maintaining our business relationship with them or finding new customers, there can be no assurance that we will be able to maintain long term relationships with such customers or find new customers in time.

**7. In addition to normal remuneration, other benefits and reimbursement of expenses, some of our Directors (including our Promoters) are interested in our Company to the extent of their shareholding and dividend entitlement in our Company, any amount received towards rent and/or acquisition of property from company.**

Some of our Directors (including our Promoters) are interested in our Company to the extent of their shareholding, dividend, rent or acquisition of property of company, in addition to normal remuneration or benefits and reimbursement of expenses. We cannot assure you that our Directors (including our Promoters) would always exercise their rights as Shareholders to the benefit and best interest of our Company. As a result, our Directors (including our Promoters) will continue to exercise significant control over our Company, including being able to control the composition of our board of directors and determine decisions requiring simple or special majority voting, and our other Shareholders may be unable to affect the outcome of such voting. Our Directors (including our Promoters) may take or block actions with respect to our business, which may conflict with our best interests or the interests of other minority Shareholders, such as actions with respect to future capital raising or acquisitions. We cannot assure you that our Directors (including our Promoters) will always act to resolve any conflicts of interest in our favour, thereby adversely affecting our business and results of operations and prospect.

For details relating to benefits and reimbursement of expenses to some of our directors, please refer to section title “Our Management”, “Our Promoters and Promoters’ Group” and Annexure – 36 - “Related Party Transaction in chapter titled “Auditors Report and Financial Information of Our Company” on page nos. 111, 123 and 166 respectively of this Draft Prospectus.

**8. We require high working capital for our smooth day to day operations of business and any discontinuance or our inability to acquire adequate working capital timely and on favorable terms may have an adverse effect on our operations, profitability and growth prospects.**

As on March 31, 2018 the Company’s net working capital consisted of ₹ 1235.16 Lakhs as against ₹ 959.04 Lakhs as on March 31, 2017. The net working capital requirement for the financial year 2018-19 is projected to be ₹ 1873.90 Lakhs. We operate in a working capital intense industry therefore our business demands substantial funds towards working capital requirements. In case there are insufficient cash flows to meet our working capital requirement or we are unable to arrange the same from other sources or there are delays in disbursement of arranged funds, or we are unable to procure funds on favorable terms, at a future date, it may result into our inability to finance our working capital needs on a timely basis which may have an adverse effect on our operations, profitability and growth prospects.

**9. Our Company has availed certain unsecured loans of ₹ 608.34 Lakhs that may be recallable on demand by the lenders at any point of time.**

As on March 31, 2018 our Company has availed certain unsecured loans of ₹ 608.34 Lakhs from Banks, NBFC’s, Directors etc. that are recallable on demand by the lenders at any point of time. In case of any demand from lenders for repayment of such unsecured loans prior to due date of repayment schedule, the resultant cash outgo, may adversely affect our business operations and financial position of our Company. For further details related to unsecured loan, please refer “Indebtedness” in the section titled “Business Overview” on page no. 73 of this Draft prospectus.

**10. We have taken guarantees from Directors and other person in relation to debt facilities provided to us.**

We have taken guarantees from Directors and other person in relation to our secured debt facilities availed from our Banker. In an event any of these persons withdraw or terminate its/their guarantees, the lender for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lender and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could adversely affect our financial condition. For more information please see the section titled "Indebtedness" in the Chapter titled beginning on page no. 73 of this Draft Prospectus.

**11. Our failure to perform in accordance with the standards prescribed in work order of our client could result in loss of business or payment of liquidated damages.**

We received work orders from our clients. Majority of these work orders may require us to comply with the code of conduct and rules and regulations prescribed by our clients, which may increase our compliance costs. We may be unable to effectively address service constraints or accurately predict service requirements, as a result of which our clients may experience service shortfalls. Further any disruptions to our businesses as a result of actions outside of our control, could significantly impact the continued performance of our obligations to meet the quality or performance standards set out in our client contracts which may in-turn harm and cause clients to terminate their contracts with us, impair our ability to obtain renewal of our contracts from existing clients and impair our ability to grow our client base, any of which could affect our business, financial condition and results of operations. In the event that we are unable to meet the prescribed obligations, we may also be required to pay compensation or liquidated damages to our clients on the terms set out in our contracts. In certain instances, we may also be required to bear consequential liability. Certain work order may also require us to provide indemnities to our clients with respect of any negligent act or omission by or misconduct of our employees. In the event there is an increase in claims against us for which we are not insured, our business, financial condition and results of operations may be affected.

**12. Our Company has not paid Stamp duty on Allotment of Shares. Further, our Company has made application for payment of Stamp Duty on Amalgamation. Any Non-compliance of local laws relating to payment of Stamp Duty may adversely affect on our business.**

Our Company has not paid stamp duty on allotment of shares as prescribed under stamp act. Moreover, our Company has made an application to the stamp department for paying the stamp duty payable on amalgamation of the Companies. The said application is under process and no demand notice has been issued by the stamp department.

Any failure to non-payment of stamp duty in timely manner can result in to penalty or legal action against our Company and Directors. Hence, our financial condition and business as well will affect to the extent of legal action taken against our Company.

**13. An inability to effectively manage project execution may lead to project delays which may affect our business and results of operations.**

Our business is dependent on our ability to effectively manage the execution of our projects. An inability to effectively manage our operations, including ineffective or inefficient project management procedures could increase our costs and expenses, result in project delays and thereby affect our profitability.

The effectiveness of our project management processes and our ability to execute projects in a timely manner may be affected by various factors including delay by the third parties who are forming part of overall project execution which may lead to delay in execution of project awarded to us. Additionally, in some projects, in case of delay due to our fault or because of defective work done by us, clients have the right to rectify the defective work, or engage a third party to complete the work and deduct additional costs or charges incurred for completion of the work from the project price payable to us. Such factors would have an effect on our results of operations and financial condition.

**14. We are dependent on third parties for the supply of services and finished goods.**

Our business is significantly affected by the availability, cost and quality of the materials and bought out items. The prices and supply of materials and bought out items depend on factors not under our control, including domestic and international general economic conditions, competition, availability of quality suppliers, production levels, transportation costs and import duties. We majorly require finished goods for our Contracts of Engineering, Procurement and Construction and we depend on third party for supply of such goods used in particular contracts. Any delay in supply of goods effect our projected completion of work and ultimately affect our business.

**15. Our projects are exposed to various implementation and other risks and uncertainties.**



The installation and commissioning of our projects involves various implementation risks including construction delays, delay or disruption in supply of raw materials, unanticipated cost increases, force majeure events, cost overruns or disputes with our counter-parties.

In particular:

- delays in receiving drawings from third-parties or any inaccuracy in such drawings;
- we may encounter unforeseen construction problems, disputes with workers, force majeure events and unanticipated costs due to defective plans and specifications;
- unforeseen increases in or failures to properly estimate the cost of raw materials, components, equipment, labor or the inability to timely obtain them;
- we may not be able to obtain adequate capital or other financing at affordable costs or obtain any financing at all to complete construction of and to commence operations of these projects;
- any delay in the delivery of raw materials by our customers in the case of projects where the clients is responsible for the procurement of any raw materials;
- project modifications creating unanticipated costs or delays;
- delays or productivity issues caused by weather conditions;
- we may be subject to risk of equipment failure or industrial accidents that may cause injury and loss of life, and severe damage to and destruction of property and equipment;
- we may experience adverse changes in market demand or prices for the services that our projects are expected to provide and
- other unanticipated circumstances or cost increases.

Our contracts are mostly on the basis of a fixed price or a lump sum for the project as a whole, which may not always include escalation clauses covering any increased costs we may incur. We may suffer significant cost overruns or even losses in these projects due to unanticipated cost increases resulted from a number of factors such as changes in assumptions underlying our contracts, unavailability or unanticipated increases in the cost of construction materials, fuel, labour and equipment, changes in applicable taxation structures or the scope of work, disruptions of the supply of raw materials due to factors beyond our control, unforeseen design or engineering challenges, inaccurate drawings or technical information provided by clients, severe weather conditions or force majeure events. These risks tend to be exacerbated for longer-term contracts because there is increased risk that the circumstances under which we based our original cost estimates or project schedules will change with a resulting increase in costs. We may have to bear risks associated with any increase in actual costs for our services/products exceeding the agreed work. If any of these risks materialize, they could adversely affect our profitability, which may in turn have an adverse effect on our overall results of operation.

#### **16. Our Company is not in possession of Project Completion Certificate of many of our Completed Projects.**

Our Company is not in possession of completion certificate of various projects completed by us. Our company has received the respective amount from majority of all the clients on completion of such projects. In future if our company's inability to receive the completion certificate for our on hand or proposed projects, we may not get the full contracted amount for the work executed by us. This will result into litigation, claims against our clients and which may affect our result of operations and financial position.

#### **17. We face competition in our business from domestic competitors. Such competition would have an adverse impact on our business and financial performance.**

The industry, in which we are operating, is highly and increasingly competitive and our results of operations and financial condition are sensitive to, and may be materially adversely affected by, competitive pricing and other factors. Competition may result in pricing pressures, reduced profit margins or lost market share or a failure to grow our market share, any of which could substantially harm our business and results of operations. There can be no assurance that we can effectively compete with our competitors in the future, and any such failure to compete effectively may have a material adverse effect on our business, financial condition and results of operations.

#### **18. Conflicts of interest may arise out of common business undertaken by our Promoter Group entities.**


Our Promoter Group Entities, Himgiri Engineer and Shrividya Engineers are carrying out similar activities as those conducted by our Company.

As a result, conflicts of interests may arise in allocating business opportunities amongst our Company, our other Promoter Group Entities in circumstances where our respective interests diverge. In cases of conflict, our Promoters may favour other company in which our Promoters have interests. There can be no assurance that our Promoters or members of the Promoter Group will not compete with our existing business or any future business that we may undertake or that their

interests will not conflict with ours. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition. For further details please refer to chapter titled “Financial Information of our Group Companies” beginning on page no. 127 of this Draft Prospectus.

**19. Our Company does not have exact and similar and comparable listed peer which is involved in the same line of business for a direct comparison of performance and therefore, investors must rely on their own examination of accounting ratios of our Company for the purposes of investment in the Issue.**

As on the date of this Draft Prospectus, we believe that our Company does not have exact and similar and comparable listed peer which is involved in the same line of business for a direct comparison of performance. However, there are listed company in India with one or more business segments that may be common to our business. Though we have given comparison with one of such listed company, it may not be directly comparable to our Company and the accounting ratios of the same may not be a representative yardstick for our Company. Therefore, investors must rely on their own examination of our Company for subscribing to the Issue.

**20. Our logo  is not registered. Infrastructure sector is fast becoming a brand sensitive Business. Our ability to protect our intellectual properties, namely our logo is restricted until we apply for registration and receive registered trademark from the appropriate authority.**

Infrastructure Sector is fast becoming a brand sensitive business. Our ability to protect our intellectual properties, namely our logo is restricted until we make application for registration of trademark and we apply and receive registered trademark from the appropriate authority. Our inability to register our logo in our name or an objection on the same may require us to change our logo and hence we may loose on the goodwill created so far on such intellectual property. Further, the same may involve costly litigations and penal provisions if the case may be.

**21. If we are unable to maintain and enhance the brand, the sales of our products may suffer which would have a material adverse effect on our financial condition and results of operations.**

We believe that the brand we have developed has significantly contributed to the success of our business. We also believe that maintaining and enhancing the brand is critical to maintaining and expanding our customer base. Our brand and reputation are among our most important assets and we believe that our brand serve in attracting consumers to our products in preference over those of our competitors. Maintaining and enhancing our brand may require us to make substantial investments in areas such as research and development, marketing and brand building activities, and these investments may not be successful.

There can be no assurance that consumers will continue to be receptive to our brand. We anticipate that, as our business expands into new markets and as the market becomes increasingly competitive, maintaining and enhancing our brand may become increasingly difficult and expensive. Additionally, in the event that our future advertising campaigns are unsuccessful, we may only incur expenses without the benefit of higher revenues or our competitors may increase their advertising spend, launch promotional activities, concepts, branding and advertising activities which we may not be able to match. Our brand may also be adversely affected if our public image or reputation is tarnished by any negative publicity. Any adverse publicity involving us or any of our products may impair our reputation, dilute the impact of our branding and marketing initiatives and adversely affect our business and our prospects. Our brand could be damaged by negative publicity on various media platforms or by claims or perceptions about the quality of our products, regardless of whether such claims or perceptions are true. Any untoward incidents such as litigation or negative publicity, whether isolated or recurring and whether originating from us or otherwise, affecting our business, distributors, dealers and suppliers may adversely impact our brand image and consumer trust. If we are unable to maintain or enhance our brand image, our results of operations may suffer and our business may be harmed.

**22. Our growth strategy to expand into new geographic areas possess risks. We may not be able to successfully manage some or all of such risks, which may have a material adverse effect on our revenues, profits and financial condition.**

Our major sales are derived from selected states. Our business is therefore significantly dependent on the general economic condition and activity in these States in which we operate along with the Central, State and Local Government policies relating to the industries in which we operate. Although, investment in the industry in which we operate has been encouraged, there can be no assurance that this will continue. We may expand geographically and may not gain acceptance or be able to take advantage of any expansion opportunities outside our current markets. This may place us at a competitive disadvantage and limit our growth opportunities. We may face additional risks if we undertake operations in other geographic areas in which we do not possess the same level of familiarity as competitors. If we undertake operations in different geographical locations than those currently is; we may be affected by various factors, including but not limited to:

- Adjusting our products to the new geographic area;
- Ascertaining the creditworthiness of the buyer and maintain credit terms with the same;
- Obtaining necessary Government and other approvals in time or at all;
- Failure to realize expected synergies and cost savings;
- Attracting potential customers in a market in which we do not have significant experience; and
- Cost of hiring new employees and absorbing increased costs.

**23. Our ability to attract, train and retain executives and other qualified employees is critical to our business, results of operations and future growth.**

Our business and future growth is substantially dependent on the continued services and performance of our key executives, senior management and skilled personnel, especially personnel with experience in our industry. In particular, our Chairman Cum Managing Director, Mr. Rakesh Vallabhbbhai Swadia, our Whole-Time Director, Mr. Devarshibhai Rakeshbhai Swadia and our senior management team are critical to the overall management of our Company. Their inputs and experience are also valuable for the development of our services, our work culture and the strategic direction taken by our Company. Further, our business depends upon our employees for its successful execution. We require the specialized skills for our spectrum of services including Design, supply, installation, Testing and Commissioning (EPC). All the projects are time-consuming to acquire and/or develop; as a result, such skilled personnel are often in short supply. We may require a long period of time to hire and train replaced personnel when skilled personnel terminate their employment with our Company. Our ability to compete effectively depends on our ability to attract new employees and to retain and motivate our existing employees. We may be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting skilled employees that our business requires. If we do not succeed in attracting well-qualified employees or retaining or motivating existing employees, our business and prospects for growth could be adversely affected.

**24. We have issued Equity Shares to promoter/promoter group and public during the last 12 months preceding the date of this Draft Prospectus at a price lower than the Issue Price as detailed in the following table:**

On May 18, 2018, our company has made allotment of 3599985 Bonus Equity Shares to our promoter/promoter group and public during last 12 months preceding the date of this Draft prospectus at a price lower than the issue price.

Sr. No.	Name of Allottee	No. of Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Mr. Rakesh V Swadia	1231590	10	-
2.	Mrs. Nita R Swadia	591510	10	-
3.	Mr. Devarshi R Swadia	840930	10	-
4.	Mrs. Manisha D Swadia	251970	10	-
5.	Rakesh V Swadia HUF	46500	10	-
6.	Devarshi R Swadia HUF	36270	10	-
7.	Mrs. Shailja N. Patel	43515	10	-
8.	Master Ahalya Devarshi Swadia	21000	10	-
9.	Master Shrividya Devarshi Swadia	4500	10	-
10.	Mr. Raju Birendrabhai Mishra	82200	10	-
11.	Jignesh Babulal Shah HUF	225000	10	-
12.	Mrs. Vaishali Jignesh Shah	225000	10	-
<b>Total</b>		<b>3599985</b>	<b>10</b>	<b>-</b>

**25. Deployment of the Proceeds is not subject to any monitoring by any independent agency. The purposes for which the Proceeds of the Issue are to be utilized are based on management estimates and have not been appraised by any banks or financial institutions.**

We intend to use the Proceeds of the Issue for the purposes described in “Objects of the Issue” on page no. 61 of this Draft Prospectus. Our management may revise estimated costs, fund requirements and deployment schedule owing to factors relating to our business and operations and external factors which may not be within the control of our management. The utilization of the Proceeds of the Issue and other financings will be monitored only by the Audit Committee of the Board and is not subject to any monitoring by any independent agency. Further, pending utilization of the Proceeds of the Issue, we intend to deposit the Net Proceeds only in scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934.

Our funding requirements and the deployment of the Proceeds of the Issue are based on management estimates and have not been appraised by any banks or financial institutions. 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.

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

Our Company has entered into certain transactions with our related parties. While we believe that all such transactions have been conducted on the arms-length basis, there can be no assurance that we could not have been achieved more favorable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation.

For details on the transactions entered by us, please refer to chapter titled “Related Party Transactions” beginning on page no. 131 of this Draft Prospectus.

**27. Failure to effectively manage labour or failure to ensure availability of sufficient labour could affect the business operations of the Company.**

Our business activities are dependent on availability of skilled and unskilled labour. Non-availability of labour at any time or any disputes with them may affect our production schedule and timely delivery of our products to customers which may adversely affect our business and result of operations. We have not entered into any contract for supply of labour and there is no certainty that we will be able to get the requisite amount of manpower whenever required. Though we have not faced any labour problem in the past, we cannot assure that we will not experience disruptions to our operations due to disputes or other problems with our work force, which may lead to strikes, lock-outs or increased wage demands. Such issues could have adverse effect on our business, and results of operations.

**28. Strikes, work stoppages or increased wage demands by our employees or any other kind of disputes with our employees/workmen in future could adversely affect our business and results of operations.**

Our Company has total 27 employees excluding contract labour as at April 30, 2018. With an increase in our operation capacities or execution of any expansion projects in future, we expect increase in such number of employees and labours. Historically, we have enjoyed a good relationship with our employees, labours and have not experienced any lockouts, strikes, or any disruptions of any sort due to labour unrest. However there can be no assurance that we may not experience any disruptions in our operations in future as well. In case of disputes or other problems with our work force such as strikes, work stoppages or increased wage demands, our business, financial conditions and results of operations may be materially and adversely affected.

**29. We have experienced negative cash flows in previous years / periods. Any operating losses or negative cash flows in the future could adversely affect our results of operations and financial condition.**

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

(₹ in Lakh)

Particulars	For the year ended on				
	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Net Cash Generated from Operating Activities	19.97	(66.87)	161.66	35.37	(84.44)
Net Cash Generated From Investing Activities	(55.77)	(47.06)	(25.91)	(98.40)	28.25
Net Cash Generated from Financing Activities	70.71	132.56	(130.98)	102.14	56.73

**30. Our insurance coverage may not be adequate to protect us against certain operating hazards and this may have a material adverse effect on our business.**

We are insured for a number of the risks associated with our several businesses, such as insurance cover against loss or damage by fire, earthquake, theft etc. We believe we have got our assets adequately insured; however there can be no assurance that any claim under the insurance policies maintained by us will be honored fully, in part or on time, to cover all material losses. Some of our assets are not insured against loss or damage that may occur in future, to the extent that

we suffer any loss or damage that is not covered by insurance or exceeds our insurance coverage, our business and results of operations could be adversely affected.

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

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

**32. There is no monitoring agency appointed by Our Company and the deployment of funds are at the discretion of our Management and our Board of Directors, though it shall be monitored by our Audit Committee.**

As per SEBI (ICDR) Regulations, 2009, as amended, appointment of monitoring agency is required only for Issue size above ₹ 10,000 Lakh. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, as per the Section 177 of the Companies Act, 2013 the Audit Committee of our Company would be monitoring the utilization of the Issue Proceeds.

**33. Any variation in the utilization of the Net Proceeds as disclosed in this Draft Prospectus shall be subject to certain compliance requirements, including prior Shareholders’ approval.**

In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilization of the Net Proceeds as disclosed in this Draft Prospectus without obtaining the shareholders’ approval through a special resolution. In the event of any such circumstances that requires us to undertake variation in the disclosed utilization of the Net Proceeds, we may not be able to obtain the Shareholders’ approval in a timely manner, or at all. Any delay or inability in obtaining such Shareholders’ approval may adversely affect our business or operations. Further, our Promoters or controlling shareholders would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to modify the objects of the Issue as prescribed in the SEBI (ICDR) Regulations. If our shareholders exercise such exit option, our business and financial condition could be adversely affected. Therefore, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Issue, if any, even if such variation is in the interest of our Company, which may restrict our ability to respond to any change in our business or financial condition and may adversely affect our business and results of operations. For further details of the proposed objects of the Issue, refer “Objects of the Issue” on page no. 61 of this Draft Prospectus.

**34. Our Promoters and Promoter Group will continue to exercise control post completion of the Issue and will have considerable influence over the outcome of matters**

Upon completion of this Issue, our Promoters and Promoter Group will continue to own a majority of our Equity Shares. As a result, our Promoters will have the ability to exercise significant influence over all matters requiring shareholders’ approval. Our Promoters will also be in a position to influence any shareholder action or approval requiring a majority vote, except where they may be required by applicable law to abstain from voting. This control could also delay, defer or prevent a change in control of our Company, impede a merger, consolidation, takeover or other business combination involving our Company, or discourage a potential acquirer from obtaining control of our Company even if it is in the best interests of our Company. The interests of our Promoters could conflict with the interests of our other equity shareholders, and the Promoters could make decisions that materially and adversely affect your investment in the Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our Promoters, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. Except as disclosed in “Capital Structure” on page no. 38 of this Draft Prospectus, we cannot assure you that our Promoters will not dispose of, pledge or encumber their Equity Shares in the future.

**35. We have not made any dividend payments in the recent past and our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditures and restrictive covenants in our financing arrangements.**

Although in the recent past we have not paid dividends, our future ability to pay dividends will depend on our earnings, financial condition and capital requirements. Dividends distributed by us will attract dividend distribution tax at rates applicable from time to time. There can be no assurance that we will generate sufficient income to cover the operating expenses and pay dividends to the shareholders. Our ability to pay dividends will also depend on our expansion plans. We may be unable to pay dividends in the near or medium term, and the future dividend policy will depend on the capital

requirements and financing arrangements for the business plans, financial condition and results of operations. For further details, refer “Dividend Policy” on page no. 132 of this Draft Prospectus.

**36. We are exposed to the risk of delays or non-payment by our clients and other counterparties, which may also result in cash flow mismatches.**

We are exposed to counterparty credit risk in the usual course of our business dealings with our clients or other counterparties who may delay or fail to make payments or perform their other contractual obligations. The financial condition of our clients, business partners, suppliers and other counterparties may be affected by the performance of their business which may be impacted by several factors including general economic conditions. We cannot assure you of the continued viability of our counterparties or that we will accurately assess their creditworthiness. We also cannot assure you that we will be able to collect the whole or any part of any overdue payments. Any material non-payment or non-performance by our clients, business partners, suppliers or other counterparties could affect our financial condition, results of operations and cash flows.

**37. Difficulties and uncertainties surrounding the implementation of a GST regime in India may adversely affect our business strategy.**

The GoI has implemented a comprehensive GST regime which has combined taxes and levies by the central and state governments into a unified indirect tax on the manufacture, sale and consumption of goods and services at a national level. We expect the GST regime to benefit the inter-state movement of services which may lead to opportunities for growth of our business. In addition, since the GST regime has been implemented, the impact, if any, that implementation of the GST regime will have on our tax liability and other related matters is uncertain. We cannot assure you that the GST regime will not result in levy of certain additional taxes. In the event GST increases our tax liability, our financial condition and results of operations could be affected. In respect of our business, we may experience an increase in our tax liabilities. If these additional taxation expenses are not reimbursed by our clients or if we are not able to obtain suitable relief from the tax authorities, our business, financial condition and results of operations may be affected. For further details of regulation applicable to us, refer chapter titled “Key Industry Regulations and Policies” beginning on page no. 99 of this Draft Prospectus.

**38. Our Group Company have incurred losses in past and any operating losses in the future could adversely affect the results of operations and financial conditions of our group company.**

Following of our group companies have incurred losses in the last three years:

(₹ in Lakh)

Sr. No.	Name of Group Company/Entity	F.Y 2017-18	F.Y 2016-17	F.Y. 2015-16
1.	Devarshi R Swadia (HUF)	Negligible	(0.002)	(0.012)
2.	Rakesh Vallabh Swadia (HUF)	Negligible	(0.007)	(0.001)

Further, few of our Group Company/entity have not started commercial activities. Any operating losses could adversely affect the overall operations of the group and financial conditions and also divert the attention of the management and promoter towards the group company which could have an adverse effect on our operations and financials. For more information, regarding the Company, please refer chapter titled “Financial Information of our Group Companies” beginning on page no. 127 of this Draft Prospectus.

**39. There may be potential conflicts of interest if our Promoters, Promoters’ Group or Directors are involved in any business activities that compete with or are in the same line of activity as our business operations.**

Certain Group Companies/entities are involved in similar line of Business that is being carried out by our Company. Also our Company has entered into various transactions with our Group Companies and will continue to do in future. For detailed information for our transaction with group Companies, please refer to “Annexure – 36” of Restated financial Statement under chapter titled “Auditors Report and Financial Information of Our Company” beginning on page no. 133 of this Draft Prospectus. Further, we have not entered into any non-compete agreement with our said entity. We cannot assure you that our Promoters, Promoter’s Group or Directors who have common interest in said entities will not favor the interest of the said entity. Any such present and future conflicts could have a material effect on our reputation, business, results of operations and financial condition which may affect our profitability and results of operations.

**40. Certain sections of this Draft Prospectus disclose information from an industry report and any reliance on such information for making an investment decision in the Issue is subject to inherent risks**

Certain sections of this Draft Prospectus disclose information from Executive Summary of Global Economic Prospects of a World Bank Group Flagship Report, from IBEF (India Brand Equity Foundation) which rely on Secondary Research



and is not responsible for any errors in the same and from TechSci Research. While we have taken reasonable care in the reproduction of relevant information, industry facts and other statistics have not been prepared or independently verified by us, LM or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness.

**41. 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 Exchange. 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. Failure of our Company to meet the listing requirements of stock exchange could lead to imposition of huge penalties, if any including suspension of trading, imposed by Stock Exchange.

## **EXTERNAL RISK FACTORS**

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

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

**2. 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. 99 of this Draft Prospectus. Our business and prospects could be materially adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that our Company will succeed in obtaining all requisite regulatory approvals in the future for our operations or that compliance issues will not be raised in respect of our operations, either of which could have a material adverse affect on our business, financial condition and results of operations.

**3. 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.

**4. 100% of our Revenue is derived from business in India and a decrease in economic growth in India could cause our business to suffer.**

We derive 100% of our revenue from operations in India and, consequently, our performance and the quality and growth of our business are dependent on the health of the economy of India. However, the Indian economy may be adversely affected by factors such as adverse changes in liberalization policies, social disturbances, terrorist attacks and other acts of violence or war, natural calamities or interest rates changes, which may also affect the microfinance industry. Any such factor may contribute to a decrease in economic growth in India which could adversely impact our business and financial performance.

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

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

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

Prior to this Issue, there has been no public market for our Equity Shares. Our Company has appointed Beeline Broking Limited as Lead Manager & Designated Market Maker for the equity shares of our Company. However, the trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors, the Indian Capital Markets and Finance industry, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnership, joint ventures, or capital commitments.

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

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

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

The Issue Price of our Equity Shares is ₹ 25/-. This price is based on numerous factors (For further information, please refer chapter titled "Basis for Issue Price" beginning on page no. 65 of this Draft Prospectus) and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation the following;

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

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

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

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

In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the Issue will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay

in listing the Equity Shares on the SME Platform of BSE Limited. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

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

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

**PROMINENT NOTES:**

1. Our Company was originally incorporated as “Ranjeet Electric Private Limited” at Ahmedabad on June 10, 1993, under the provisions of the Companies Act, 1956 vide Certificate of Incorporation issued by the Assistant Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Later on, the name of our Company was changed from “Ranjeet Electric Private Limited” to “Ranjeet Mechatronics Private Limited” and certificate to that effect was issued by Deputy Registrar of Companies, Registrar of Companies, Ahmedabad on February 3, 2016. Consequent up on the conversion of our Company from Private Limited Company to Public Limited Company, the name of our Company was changed to “Ranjeet Mechatronics Limited” and fresh Certificate of Incorporation was issued by the Deputy Registrar of Companies, Registrar of Companies, Ahmedabad on May 28, 2018. For details of change in name and registered office of our Company, please refer to section titled “History and Certain Corporate Matters” beginning on page no. 106 of this Draft Prospectus.
2. This is a Public Issue of 18,00,000 equity shares of face value of ₹ 10 each of Ranjeet Mechatronics Limited (“Ranjeet” or the “Company” or the “Issuer”) for cash at a price of ₹ 25 per equity share including a share premium of ₹ 15 per equity share (the “issue price”) aggregating to ₹ 450.00 Lakh (“the issue”), of which 96,000 equity shares of face value of ₹ 10 each for cash at a price of ₹ 25 per equity share including a share premium of ₹ 15 per equity share aggregating to ₹ 24.00 Lakh will be reserved for subscription by market maker to the issue (the “market maker reservation portion”). the issue less the market maker reservation portion i.e. net issue of 17,04,000 equity shares of face value of ₹ 10 each at a price of ₹ 25 per equity share including a share premium of ₹ 15 per equity share aggregating to ₹ 426.00 Lakh is herein after referred to as the “net issue”. The issue and the net issue will constitute 27.27% and 25.82% respectively of the post issue paid up equity share capital of our company.
3. For information on changes in our Company’s name and registered office please refer to the chapter titled “History and Certain Corporate Matters” beginning on page no. 106 of this Draft Prospectus.
4. Our Net Worth as per Restated Financial Statement as at March 31, 2018 and as on March 31, 2017 was ₹ 258.67 Lakh and ₹ 167.36 Lakh respectively.
5. The Net Asset Value of our Equity Share was ₹ 47.03 (pre Bonus) per Equity Shares and ₹ 6.23 (Post Bonus) per Equity Share as at March 31, 2018. For more information, please refer to section titled “Auditors Report and Financial Information of Our Company” beginning on page no. 133 of this Draft Prospectus.
6. Investors may contact the Lead Manager for any complaint pertaining to the Issue. All grievances relating to ASBA may be addressed to the Registrar to the Issue, with a copy to the relevant SCSBs, giving full details such as name, address of the Applicant, number of Equity Shares for which the applied, Application Amounts blocked, ASBA Account number and the Designated Branch of the SCSBs where the ASBA Form has been submitted by the ASBA Applicant.
7. The average cost of acquisition per Equity Share by our Promoters is set forth in the table below:

Name of the Promoter	No. of Equity Shares held	Average cost of acquisition (in ₹)
Mr. Rakesh Vallabhnbhai Swadia	1642120	6.82 per Equity Share
Mr. Devarshibhai Rakeshbhai Swadia	1121240	7.10 per Equity Share

The average cost of acquisition of Equity Shares by our Promoter has been calculated by taking into account the amount paid by them to acquire, by way of fresh issuance or transfer, the Equity Shares, including the issue of bonus shares to them less amount received by them for the sale of shares through transfer and the net cost of acquisition has been divided by total number of shares held as on date of this Draft Prospectus.

The average cost of acquisition of our Equity Shares by our Promoter has been reduced due to the issuance of bonus shares to them. For further details relating to the allotment of Equity Shares to our Promoter, please refer to the chapter titled “Capital Structure” beginning on page no. 38 of this Draft Prospectus.

8. There has been no financing arrangement whereby the Promoter Group, our Directors and their relatives have financed the purchase, by any other person, of securities of our Company other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of this Draft Prospectus.
9. The details of transaction by our Company with group companies/entities are disclosed under “Related Party Transactions” in “Annexure – 36” of “Auditor’s Report and Financial Information of our Company” beginning on page no. 133 of this Draft Prospectus.
10. No Group companies have any business or other interest in our Company, except as stated in “Annexure – 36” “Restated Statement of Related Parties Transactions” in section titled “Auditors Report and Financial Information of our Company beginning on page no. 133 and “Financial Information of Our Group Companies” on page no. 127 of this Draft Prospectus and to the extent of any Equity Shares held by them, if any and to the extent of the benefits arising out of such shareholding.
11. Investors may note that in case of over-subscription in the Issue, Allotment to retail Applicants and other Applicants shall be on a proportionate basis. For more information, please refer to the chapter titled “Issue Structure” beginning on page no. 200 of this Draft Prospectus.
12. Except as disclosed in the chapter titled “Capital Structure” beginning on page no. 38 of this Draft Prospectus, we have not issued any Equity Shares for consideration other than cash.
13. Trading in Equity Shares of our Company for all investors shall be in dematerialized form only.

## SECTION III – INTRODUCTION

### SUMMARY OF OUR INDUSTRY OVERVIEW

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

#### GLOBAL ECONOMIC OUTLOOK

Global growth has eased but remains robust and is projected to reach 3.1 percent in 2018. It is expected to edge down over the next two years as global slack dissipates, trade and investment moderate, and financing conditions tighten. Growth in advanced economies is forecast to decelerate toward potential rates as monetary policy is normalized and the effects of U.S. fiscal stimulus wane. In emerging market and developing economies (EMDEs), growth in commodity importers will remain strong, while the rebound in commodity exporters is projected to mature over the next two years. For the first time since 2010, the long-term (10-year-ahead) consensus forecast for global growth appears to have stabilized. Although this development could signal that the legacies of the global financial crisis are fading, past experience cautions that long-term forecasts are often overly optimistic. While well below levels expected a decade ago, these forecasts also remain above potential growth estimates. Moreover, risks to the outlook are tilted to the downside. They include disorderly financial market movements, escalating trade protectionism, and heightened geopolitical tensions. EMDE policymakers should rebuild monetary and fiscal policy buffers and be prepared for rising global interest rates and possible episodes of financial market turbulence. In the longer run, adverse structural forces continue to overshadow long-term growth prospects implying that EMDEs need to boost potential growth by promoting competitiveness, adaptability to technological change, and trade openness. These steps will help mitigate an expected growth slowdown over the next decade, especially if long term growth forecasts fall once again short of expectations.

A cyclical recovery is underway in most EMDE regions that host a substantial number of commodity exporters. Over the next two years, the upturn in these regions is expected to mature, as commodity prices plateau. Robust economic activity in EMDE regions with large numbers of commodity importers is forecast to continue. However, risks to the growth outlook continue to tilt to the downside in many regions.

Rapid Growth among the major emerging markets over the past 20 years has boosted global demand for commodities. The seven largest emerging markets (EM7) accounted for almost all of the increase in global consumption of metals and two-thirds of the increase in energy consumption over this period. As these economies mature and shift towards less commodity-intensive activities, their demand for most commodities may level off. While global energy consumption growth may remain broadly steady, global metals and foods demand growth could slow by one-third over the next decade. This would dampen global commodity prices. For emerging market and developing economies that depend on raw materials for government and export revenues, these prospects reinforce the need for economic diversification and the strengthening of policy frameworks.

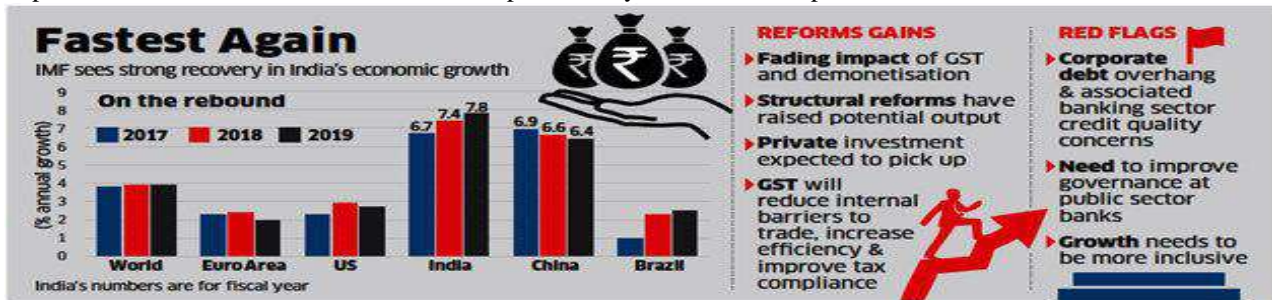
Average corporate debt in emerging market and developing economies has increased over the past decade, raising concerns about their financial stability and growth prospects. Debt service costs of EMDE firms are expected to rise as advanced economies normalize monetary policy, and debt is increasingly held by firms with riskier balance sheets. Elevated debt may be associated with weak investment growth, especially in large firms. Countercyclical and macro prudential policies can address financial stability concerns that are raised by these trends. Structural policies, including the strengthening of bankruptcy regimes, are appropriate tools to address the investment implications of sizeable corporate debt.

*(Source: <http://www.worldbank.org/en/publication/global-economic-prospects>)*

#### INDIAN ECONOMY GROWTH

India's economic growth will accelerate in the current and next fiscal years as per International Monetary Fund (IMF), consolidating the country's position as the world's fastest-growing major economy. India's economy is forecast to grow 7.4% in the current fiscal from 6.7% in FY18 and accelerate further in FY20 to 7.8%. There will be a gradual increase in India's growth rate as structural reforms raise potential output. "Growth in India is projected to increase from 6.7% in 2017 to 7.4% in 2018 and 7.8% in 2019 (unchanged from the October WEO), lifted by strong private consumption as well as fading transitory effects of the currency exchange initiative and implementation of the national goods and services

tax,” the IMF said in the report. “Over the medium term, growth is expected to gradually rise with continued implementation of structural reforms that raise productivity and incentivise private investment.”



(Source: -<https://economictimes.indiatimes.com/news/economy/indicators/india-to-grow-at-7-4-per-cent-in-2018-imf/articleshow/63801741.cms>)

## KEY DEMOGRAPHIC ASPECTS

India is the second most populous country in the world and is expected to see its population grow at the rate of 1.14% over the next five years. The urban population as a percentage of India's total population is estimated to increase from the current 32.8%, in 2017 to 35% by 2020, thereby increasing the number of people that access premium facilities. The middle class population in India has doubled from 300 million to 600 million between 2004 and 2012, according to World Economic Forum, and is likely to overtake that of US and China by 2027. India's urban population has increased from 27.8% of total population (per census 2001) to 31.2% of the total population (per Census 2011). Estimates by PwC indicate that by 2020, the average age of an Indian will be 29 years, compared with average age of 37 and 48 years, respectively, for China and Japan. This young population will help constitute a large working population, with an estimated 64% of India's population to be in the working age population by the fiscal year 2021 (Source: Union budget and economic survey 2013). The high economic growth and increasing opportunities in the cities have led to urbanization. The rate of urbanization during 2017 over 2016 was recorded at 2.5%.

## OVERVIEW: SERVICE SECTOR

The services sector is not only the dominant sector in India's GDP, but has also attracted significant foreign investment flows, contributed significantly to exports as well as provided large-scale employment. India's services sector covers a wide variety of activities such as trade, hotel and restaurants, transport, storage and communication, financing, insurance, real estate, business services, community, social and personal services, and services associated with construction.

## MARKET SIZE: SERVICE SECTOR

The services sector is the key driver of India's economic growth. The sector is estimated to contribute around 54.0 per cent of India's Gross Value Added in 2017-18 and employed 28.6 per cent of the total population. Net Services exports from India grew 14.98 per cent year-on-year to US\$ 77,562.89 million in 2017-18P. As per Ministry of Statistics and Programme Implementation's second advance estimates of National Income 2017-18, services sector GVA is expected to grow to US\$ 1,266.10 million in FY18.

## GOVERNMENT INITIATIVES

The Government of India recognises the importance of promoting growth in services sectors and provides several incentives in wide variety of sectors such as health care, tourism, education, engineering, communications, transportation, information technology, banking, finance, management, among others.

Prime Minister Narendra Modi has stated that India's priority will be to work towards trade facilitation agreement (TFA) for services, which is expected to help in the smooth movement of professionals.

The Government of India has adopted a few initiatives in the recent past. Some of these are as follows:

- Under the Mid-Term Review of Foreign Trade Policy (2015-20), the Central Government increased incentives provided under Services Exports from India Scheme (SEIS) by two per cent.
- Government of India is working to remove many trade barriers to services and tabled a draft legal text on Trade Facilitation in Services to the WTO in 2017.

## ROAD AHEAD



Services sector growth is governed by both domestic and global factors. The Indian facilities management market is expected to grow at 17 per cent CAGR between 2015 and 2020 and surpass the US\$19 billion mark supported by booming real estate, retail, and hospitality sectors. The implementation of the Goods and Services Tax (GST) has created a common national market and reduced the overall tax burden on goods. It is expected to reduce costs in the long run on account of availability of GST input credit, which will result in the reduction in prices of services.

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

## INDIA FIRE AND SAFETY EQUIPMENT MARKET FORECAST AND OPPORTUNITIES

Over the last decade, India has witnessed a substantial increase in terms of awareness about fire safety and security. The rapidly expanding IT and retail markets across the country have significantly contributed towards the growth of the fire & safety equipment sector, and this trend is likely to continue over the coming years. As large refineries, petrochemical complexes, biotechnology ventures, pharmaceutical, automobile, steel, oil & gas exploration projects need to comply with various mandatory safety regulation, these segments has been contributing hugely to the growth of the country's fire & safety market. However, the market potential is still largely untapped due to lack of awareness, stringent regulations and a common perception of fire safety equipment being perceived as an unproductive outlay. A separate fire safety act for each state is yet to come into effect, due to which ground level monitoring is still not rigorous.



According to “India Fire & Safety Equipment Market Forecast & Opportunities, 2019”, the fire & safety equipment market in India is expected to grow immensely over the coming years. The market revenues of India's fire & safety equipment market are expected to reach USD 4.94 billion by the end of 2019. The market is being driven largely by the small players with restricted regional presence and involved in offering comparable products at lower prices compared to major organized players. The market is set to experience radical growth over the coming years as a result of increasing customer awareness regarding fire safety, security and asset management coupled with implementation of strict state level norms on fire safety. “India Fire & Safety Equipment Market Forecast & Opportunities, 2019” discusses the following aspects related to fire & safety equipment market in India:

- Fire & Safety Equipment Market Size, Share & Forecast
- Segmental Analysis - Fire Fighting Equipment, Fire Detection Equipment and Fire Protection Equipment Market
- Changing Market Trends & Emerging Opportunities
- Pricing Analysis and Policy & Regulatory Landscape
- Competitive Landscape and Strategic Recommendations

(Source: <https://www.techsciresearch.com/report/india-fire-and-safety-equipment-market-forecast-and-opportunities-2019/530.html>)

## SUMMARY OF BUSINESS OVERVIEW

*The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in the Draft Prospectus, including the information contained in the section titled “Risk Factors” on page no. 9 of this Draft Prospectus. In this chapter, unless the context requires otherwise, any reference to the terms “We”, “Us”, “Ranjeet” and “Our” refers to Our Company. Unless stated otherwise, the financial data in this section is as per our restated financial statements / financial statement prepared in accordance with Indian Accounting Policies set forth in the Draft Prospectus.*

Our Company was originally incorporated as “Ranjeet Electric Private Limited” at Ahmedabad on June 10, 1993, under the provisions of the Companies Act, 1956 vide certificate of incorporation issued by the Assistant Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Later on, the name of our company was changed from “Ranjeet Electric Private Limited” to “Ranjeet Mechatronics Private Limited” and certificate to that effect was issued by Deputy Registrar of Companies, Registrar of Companies, Ahmedabad on February 3, 2016. Subsequently, consequent upon the conversion of our company from Private Company to Public Company, the name of our company was changed to “Ranjeet Mechatronics Limited” and fresh Certificate of Incorporation dated May 28, 2018 was issued by the Deputy Registrar of Companies, Registrar of Companies, Ahmedabad.

### COMPANY'S BACKGROUND

In the year 1949, Late Shree Vallabhbhai B. Swadia, father of one of our Promoter Mr. Rakesh V. Swadia, established a firm called M/s. Ranjeet Electric and Engineering Corporation. The firm was established post independence as authorised distributors of companies engaged in the irrigation system. The firm was basically authorized dealer of electric motor pumps and related spares. Mr. Rakesh Swadia joined the business of his father at an early age and started understanding the business gimmicks.

Later on, the firm tied up with Kirloskar Brothers Limited and became the authorized dealer of various electric products especially electric motors pump sets and spares and also tied up with Kirloskar Oil Engines Limited.

In the year 1993, to give a corporate shape to the firm, Late Vallabhbhai Swadia along with his wife, Late Mrs. Shantaben Vallabhbhai Swadia and Mr. Indukant V. Swadia incorporated our company - Ranjeet Electric Private Limited (“REPL”) at Ahmedabad. The company was incorporated with the main object to carry on the business of electrical and electrical mechanical engineers and sell supply, establish, fix and carry out and deal in industrial pumps, diesel engines, electrical motors and equipments etc.

Initially, we have obtained distributorship of agricultural engines, Industrial engines and marine engines from Kirloskar in the name of REPL. We were selling wide range of Domestic and Agriculture pumps, Industrial pumps, Customized and Engineered pumps, Motors, Alternators, Diesel engines which includes Domestic monoblock pumps, Borewell submersible pumps, Open well submersible pumps, End suction Bareshaft pumps, Horizontal multistage pumps, Vertical multistage pumps, Marine diesel engines, diesel generators sets etc. Our company continuously progressed by officially marketing the said products in the rural, urban as well as various industrial sectors of Gujarat.

In the year 2006-07, our company was awarded by Kirloskar Brother Limited for achieving 2<sup>nd</sup> highest sales turnover in Ahmedabad Region. In the year 2009, as per government rules and regulations in high rise buildings, malls and industries fire pumps and fire engines were mandatory to be installed for public safety. We have been awarded the distributorship of fire pumps & fire engines of Kirloskar. Ranjeet Electric Private Limited became the new name for new age fire solutions. Our fire solution specializes as a system integrator; our expertise is to provide end to end solution in the design, implementation, management and operational support for technology – based security and fire fighting solutions. In the year 2010, our company has also tied up with Mather and Platt Pumps Limited for distribution of various customized and engineered pumps, motors and accessories.

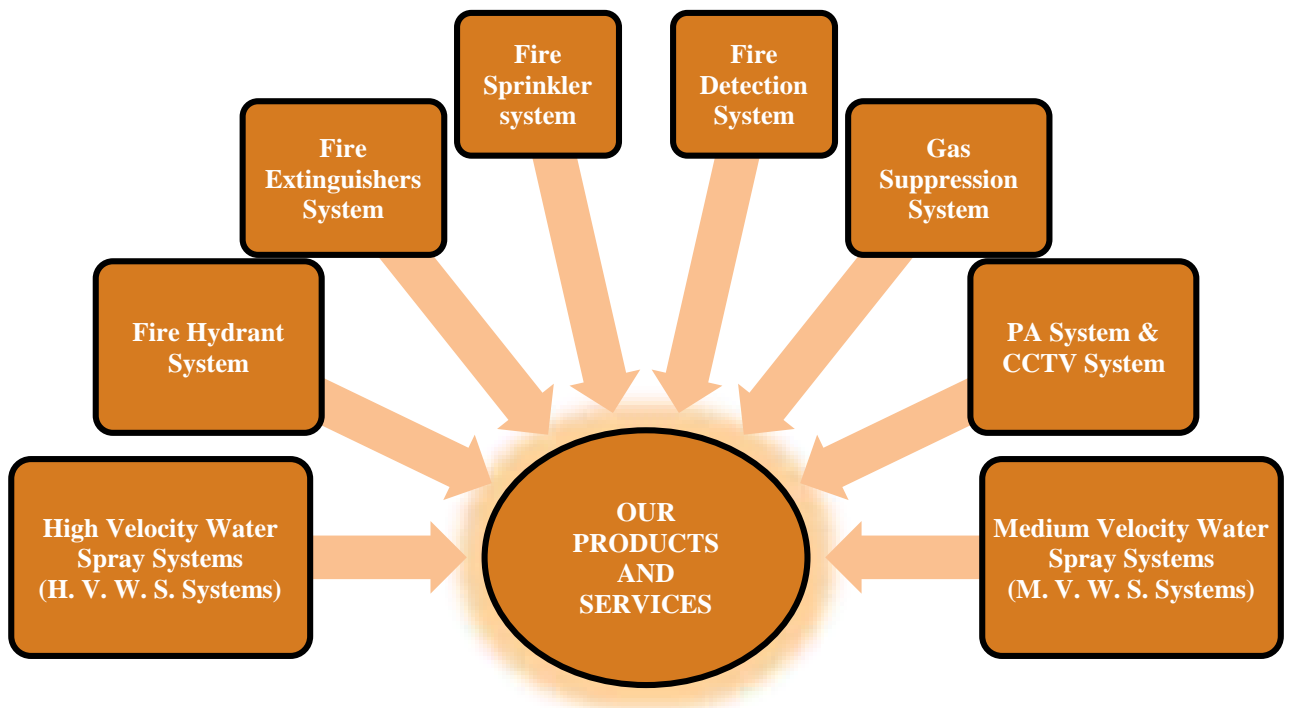
In the year 2012, our existing promoters Mr. Rakesh Swadia, Mr. Devarshi Swadia along with relatives floated the company called “Himgiri Solutions Private Limited” (“HSPL”) with the main object to carry the business of providing various essential building services such as mechanical, plumping, fire fighting, electrical safety security etc. In the year 2013, HSPL has been awarded a work contract of sewage treatment plant, pumping system including water softening and water distribution system at Nashik Airport.

In the year 2013, our existing promoters Mr. Rakesh Swadia, Mr. Devarshi Swadia along with relatives and others floated one more company called “Destiny Zone Security Systems Private Limited” (“DZSSPL”). In the year 2013-14, DZSSPL has been awarded a contract of approximately ₹ 10 crores (Rupees Ten Crores) from NCC Limited at Vardhaman Institute of Medical Science for Design, Supply, Transportation, Installation, Testing, Commissioning related to fire hydrant system, sprinkler system, fire Extinguishers, fire pumps, gas based fire Suppression system.

On January 1, 2015, our Board of Directors approved a scheme of amalgamation under Sections 391 to 394 of the Companies Act, 1956 for amalgamation of Hingiri Solutions Private Limited and Destiny Zone Security Systems Private Limited with our Company, with the appointed date as April 1, 2014. The Hon'ble High Court of Gujarat at Ahmedabad, vide their Common Oral Order dated December 10, 2015, has sanctioned the scheme of amalgamation. As required under the Companies Act, 1956, the copy of the Common Oral Order was filed with the Registrar of Companies, Ahmedabad on January 20, 2016 and the same shall be considered as Effective Date. From the effective date (as defined under the scheme of amalgamation), the entire business and undertaking of Hingiri Solutions Private Limited and Destiny Zone Security Systems Private Limited including all their assets, liabilities, duties, and obligations transferred to our company.

At present, we are providing specialized firefighting solutions as a system integrator. Our expertise is to provide end to end solution in the installation, designing, commission, testing, implementation, management and operational support for technology – based security and fire solutions.

**OUR WIDE RANGE OF PRODUCTS AND SERVICES ARE:**



**SUMMARY OF OUR FINANCIAL INFORMATION**

**RANJEET MECHATRONICS LIMITED (FORMERLY RANJEET MECHATRONICS PRIVATE LIMITED)**

**RESTATED STATEMENT OF ASSETS AND LIABILITIES**

(₹ in Lakh)

Sr. No.	Particulars	Notes	As at March 31,				
			2018	2017	2016	2015	2014
	<b>EQUITY AND LIABILITIES</b>						
<b>1)</b>	<b>Shareholders' Funds</b>						
	Share Capital	<b>3</b>	55.00	55.00	55.00	55.00	45.000
	Reserves & Surplus	<b>4</b>	203.67	112.36	61.41	45.33	39.05
	Money received against share warrants		-	-	-	-	-
<b>2)</b>	<b>Share application money pending allotment</b>		-	-	-	-	-
<b>3)</b>	<b>Non-Current Liabilities</b>						
	Long-Term Borrowings	<b>5</b>	595.52	379.17	424.34	474.93	281.24
	Deferred Tax Liabilities (Net)	<b>6</b>	-	-	-	-	-
	Other Long-Term Liabilities	<b>7</b>	-	-	-	-	-
	Long-Term Provisions	<b>8</b>	3.01	1.22	-	-	-
<b>4)</b>	<b>Current Liabilities</b>						
	Short Term Borrowings	<b>9</b>	620.50	629.73	346.86	306.80	272.80
	Trade Payables:	<b>10</b>					
	- Total outstanding dues to Micro Enterprises and Small Enterprises		47.12	-	-	-	-
	- Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		473.23	545.48	699.59	370.40	86.51
	Other Current Liabilities	<b>11</b>	224.21	288.79	122.10	132.23	38.27
	Short Term Provisions	<b>12</b>	19.43	72.25	96.37	12.29	2.10
	<b>Total</b>		<b>2,241.69</b>	<b>2,084.00</b>	<b>1,805.68</b>	<b>1,396.98</b>	<b>764.98</b>
	<b>ASSETS</b>						
<b>5)</b>	<b>Non-Current Assets</b>						
	Property, Plant and Equipment						
	- Tangible Assets	<b>13</b>	228.46	176.01	186.34	191.36	92.96
	- Intangible Assets		-	-	-	-	-
	- Capital Work In Progress		-	30.43	-	-	-
	- Intangible Assets under Development		-	-	-	-	-
	Non-Current Investments	<b>14</b>	-	-	-	-	-
	Deferred Tax Assets (Net)	<b>6</b>	0.05	5.51	3.85	1.77	0.61
	Long-Term Loans and Advances	<b>15</b>	14.03	6.49	7.75	7.22	3.42
	Other Non-current Assets		-	-	-	-	-
<b>6)</b>	<b>Current Assets</b>						
	Current Investment	<b>16</b>	-	-	-	-	-
	Inventories	<b>17</b>	1,206.75	804.05	649.27	456.24	227.03
	Trade Receivables	<b>18</b>	519.35	887.49	828.13	669.44	340.58
	Cash and Cash Equivalents	<b>19</b>	101.18	66.26	47.63	42.86	3.75
	Short-Term Loans and Advances	<b>20</b>	127.79	80.77	73.03	15.85	6.35
	Other Current Assets	<b>21</b>	44.06	26.99	9.67	12.23	90.28
	<b>Total</b>		<b>2,241.69</b>	<b>2,084.00</b>	<b>1,805.68</b>	<b>1,396.98</b>	<b>764.98</b>

**Note:** The above statements should be read with the significant accounting policies appearing in Annexure 2 and other Annexures on notes to Restated Summary Statements of Assets & Liabilities and Statement of Profit & Loss and Statement of Cash Flow.

**For, Mistry & Shah**  
**Chartered Accountants,**  
**Firm Registration Number: 122702W**

**Date:** July 25, 2018  
**Place:** Ahmedabad

**Malav Shah**  
**Partner**  
**Membership Number: 117101**

**RANJEET MECHATRONICS LIMITED (FORMERLY RANJEET MECHATRONICS PRIVATE LIMITED)**

**RESTATED STATEMENT OF PROFIT AND LOSS**

(₹ in Lakh)

Sr. No.	Particulars	Notes	For the year ended March 31,				
			2018	2017	2016	2015	2014
<b>A.</b>	<b>INCOME</b>						
	Revenue from Operations	22	1,778.19	1,760.99	2,525.30	2,361.56	1,063.68
	Other income	23	25.50	2.74	3.38	38.47	26.60
	<b>Total Income (A)</b>		<b>1,803.69</b>	<b>1,763.73</b>	<b>2,528.67</b>	<b>2,400.03</b>	<b>1,090.28</b>
<b>B.</b>	<b>EXPENDITURE</b>						
	Direct Expenses/cost of goods sold	24	1,697.66	1,450.23	2,301.06	2,141.46	971.21
	Changes in Inventories	25	(402.70)	(154.78)	(193.03)	(57.50)	0.21
	Employees Benefit Expenses	26	149.61	165.44	169.92	94.10	19.77
	Finance costs	27	136.42	105.13	120.45	135.54	67.53
	Depreciation and Amortization Expenses	28	28.12	30.02	32.81	34.04	14.01
	Other expenses	29	59.95	92.23	74.20	43.61	11.79
	<b>Total Expenses (B)</b>		<b>1,669.05</b>	<b>1,688.26</b>	<b>2,505.41</b>	<b>2,391.26</b>	<b>1,084.52</b>
<b>C.</b>	<b>Profit/(Loss) before exceptional and extra ordinary items and tax</b>		<b>134.64</b>	<b>75.47</b>	<b>23.26</b>	<b>8.78</b>	<b>5.77</b>
	Exceptional Items						
<b>D.</b>	<b>Profit before extra-ordinary item and tax</b>		<b>134.64</b>	<b>75.47</b>	<b>23.26</b>	<b>8.78</b>	<b>5.77</b>
	Extra ordinary Items		-	-	-	-	-
<b>E.</b>	<b>Profit before tax</b>		<b>134.64</b>	<b>75.47</b>	<b>23.26</b>	<b>8.78</b>	<b>5.77</b>
	<b>Tax expense :</b>						
	Current tax		37.87	26.18	9.27	5.91	2.10
	Deferred Tax		5.46	(1.66)	(2.08)	(2.05)	0.58
	MAT Credit		-	-	-	-	-
	Income tax of prior years					0.01	
	<b>Profit/(Loss) after tax for the period/year (RESTATED)</b>		<b>91.31</b>	<b>50.95</b>	<b>16.08</b>	<b>4.90</b>	<b>3.09</b>

**Note:** The above statements should be read with the significant accounting policies appearing in Annexure 2 and other Annexures on notes to Restated Summary Statements of Assets & Liabilities and Statement of Profit & Loss and Statement of Cash Flow.

**For, Mistry & Shah**  
**Chartered Accountants,**  
**Firm Registration Number: 122702W**

**Date:** July 25, 2018  
**Place:** Ahmedabad

**Malav Shah**  
**Partner**  
**Membership Number: 117101**

**RANJEET MECHATRONICS LIMITED**  
(FORMERLY RANJEET MECHATRONICS PRIVATE LIMITED)

**RESTATED STATEMENT OF CASH FLOWS**

(₹ in Lakh)

Particulars	For the year ended March 31,				
	2018	2017	2016	2015	2014
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>					
<b>Net Profit before Tax (A)</b>	<b>134.64</b>	<b>75.47</b>	<b>23.26</b>	<b>8.78</b>	<b>5.77</b>
<b>Adjusted for:</b>					
Depreciation and Amortization Expenses	28.12	30.02	32.81	34.04	14.01
Provision for Gratuity					
Loss/(Gain) on Sale of Fixed Assets		0.11			(0.02)
Interest & Finance Cost	136.42	105.13	120.45	135.54	67.53
Interest/ Other Income	(1.91)	(1.90)	(2.52)	(37.81)	(26.58)
<b>Operating Cash Flow Before Working Capital Changes</b>	<b>297.26</b>	<b>208.83</b>	<b>174.00</b>	<b>140.54</b>	<b>60.70</b>
<b>Adjusted for:</b>					
(Increase)/ Decrease in Inventories	(402.70)	(154.78)	(193.03)	(229.21)	0.21
(Increase)/Decrease in Trade Receivables	368.13	(59.35)	(158.72)	(328.87)	55.22
(Increase)/Decrease in Other Current Assets	(17.08)	(17.32)	2.56	78.05	(86.91)
Increase/(Decrease) in Trade Payables and other current liabilities	(89.71)	12.58	319.05	377.83	(106.24)
(Increase)/Decrease in Short Term Loans & Advances	(47.03)	(7.74)	(57.18)	(9.51)	(4.14)
Increase/(Decrease) in Short Term Provision	(90.69)	(24.13)	84.08	10.19	
Increase/(Decrease) in Long Term Provision	1.78	1.22	-	-	-
Increase/(Decrease) in other non-current liabilities	-	-	-	-	(0.40)
<b>Cash flow From Operations Before Extra-Ordinary Items</b>	<b>19.97</b>	<b>(40.69)</b>	<b>170.77</b>	<b>39.03</b>	<b>(81.57)</b>
Add:- Extra-Ordinary Items	-	-	-	-	
<b>Cash flow From Operations</b>	<b>19.97</b>	<b>(40.69)</b>	<b>170.77</b>	<b>39.03</b>	<b>(81.57)</b>
Less: Direct Tax Paid	-	(26.18)	(9.11)	(3.66)	(2.87)
<b>Net Cash Flow from/(used in) Operating Activities: (A)</b>	<b>19.97</b>	<b>(66.87)</b>	<b>161.66</b>	<b>35.37</b>	<b>(84.44)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>					
Purchase of Fixed Assets	(50.13)	(58.12)	(27.80)	(132.43)	(0.32)
Sale of Fixed Assets	-	7.90	-	-	
(Increase) / Decrease in Loans & Advances	(7.54)	1.26	(0.64)	(3.78)	0.76
Interest Received / Other Income	1.91	1.90	2.52	37.81	26.58
(Increase)/decrease in investment	-	-	-	-	1.23
<b>Net cash from investing activities (B)</b>	<b>(55.77)</b>	<b>(47.06)</b>	<b>(25.91)</b>	<b>(98.40)</b>	<b>28.25</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>					



Interest paid on borrowings	(136.42)	(105.13)	(120.45)	(135.54)	(67.53)
Proceeds/(Repayment) of Borrowings	207.13	237.69	(10.53)	227.69	124.26
Issue of Share Capital	-	-	-	10.00	-
<b>Net cash from financing activities (C)</b>	<b>70.71</b>	<b>132.56</b>	<b>(130.98)</b>	<b>102.14</b>	<b>56.73</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>34.92</b>	<b>18.64</b>	<b>4.76</b>	<b>39.12</b>	<b>0.54</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>66.26</b>	<b>47.62</b>	<b>42.86</b>	<b>3.74</b>	<b>3.21</b>
<b>Cash and cash equivalents at the end of the year*</b>	<b>101.18</b>	<b>66.26</b>	<b>47.62</b>	<b>42.86</b>	<b>3.74</b>

\*Cash and Cash Equivalent comprises of

Particulars	For the year ended March 31,				
	2018	2017	2016	2015	2014
Cash on Hand	33.00	6.99	12.62	20.42	2.62
Balance with Banks in Current Accounts	0.62	16.26	0.29	18.94	0.28
Balance with banks in Deposits Accounts	67.56	43.01	34.71	3.50	0.85
<b>Total</b>	<b>101.18</b>	<b>66.26</b>	<b>47.63</b>	<b>42.86</b>	<b>3.75</b>

**Note:** The above statements should be read with the significant accounting policies appearing in Annexure 2 and other Annexures on notes to Restated Summary Statements of Assets & Liabilities and Statement of Profit & Loss and Statement of Cash Flow.

**For, Mistry & Shah**  
**Chartered Accountants,**  
**Firm Registration Number: 122702W**

**Malav Shah**  
**Partner**  
**Membership Number: 117101**

**Date:** July 25, 2018  
**Place:** Ahmedabad

## THE ISSUE

Present Issue in terms of this Draft Prospectus:

Particulars	Details
Equity Shares offered	18,00,000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ 25/- each aggregating to ₹ 450.00 Lakh
Of which:	
Reserved for Market Makers	96,000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ 25/- each aggregating to ₹ 24.00 Lakh
Net Issue to the Public*	17,04,000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ 25/- each aggregating to ₹ 426.00 Lakh
Of which	
Retail Portion	8,52,000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ 25/- each aggregating to ₹ 213.00 Lakh
Non Retail Portion	8,52,000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ 25/- each aggregating to ₹ 213.00 Lakh
Equity Shares outstanding prior to the Issue	47,99,980 Equity Shares of ₹ 10/- each
Equity Shares outstanding after the Issue	65,99,980 Equity Shares of ₹ 10/- each
Use of Proceeds	For further details please refer chapter titled “Objects of the Issue” beginning on page no. 61 of this Draft Prospectus for information on use of Issue Proceeds.

\* Since present issue is a fixed price issue, the allocation in the net offer to the public category shall be made as per the Regulation 43(4) of the SEBI (ICDR) Regulations, 2009 as amended, which is as follows:

- a) Minimum fifty percent to retail individual investor; and
- b) Remaining to:
  - i. Individual applicants other than retail individual investors; and
  - ii. Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
- c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

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

### Notes

This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. For further details of issue, please refer to section titled “Issue Structure” beginning on page no. 200 of this Draft Prospectus.

The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on May 28, 2018, and by the shareholders of our Company, pursuant to section 62(1)(C) of the Companies Act, 2013, vide a special resolution passed at the EoGM held on June 4, 2018.

## GENERAL INFORMATION

Our Company was originally incorporated as “Ranjeet Electric Private Limited” at Ahmedabad on June 10, 1993, under the provisions of the Companies Act, 1956 vide Certificate of Incorporation issued by the Assistant Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Later on, the name of our Company was changed from “Ranjeet Electric Private Limited” to “Ranjeet Mechatronics Private Limited” and certificate to that effect was issued by Deputy Registrar of Companies, Registrar of Companies, Ahmedabad on February 3, 2016. Consequent up on the conversion of our Company from Private Limited Company to Public Limited Company, the name of our Company was changed to “Ranjeet Mechatronics Limited” and fresh Certificate of Incorporation was issued by the Deputy Registrar of Companies, Registrar of Companies, Ahmedabad on May 28, 2018.

For details of change in name and registered office of our Company, please refer to section titled “History and Certain Corporate Matters” beginning on page no. 106 of this Draft Prospectus.

### BRIEF INFORMATION ON COMPANY AND ISSUE

Particulars	Details
Registered Office	Block A, 407 - 4th Floor, Dev Aurum, Anand Nagar Cross Road, Prahladnagar Road, Ahmedabad – 380 015, Gujarat <b>Contact Person:</b> Mrs. Falguni Patel; <b>Telephone No.:</b> +91 – 79 – 4000 9390 <b>Email:</b> cs.compliance@ranjeet.co.in; <b>Web site:</b> www.ranjeet.co.in
Date of Incorporation	June 10, 1993
Company Identification Number	U31100GJ1993PLC019635
Company Category	Company limited by Shares
Registrar of Company	Gujarat, Dadra and Nagar Haveli
Address of the RoC	ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad – 380 013 <b>Tel No.:</b> +91 79 – 2743 7597; <b>Fax No.:</b> +91 79 – 2743 8371 <b>E Mail:</b> roc.ahmedabad@mca.gov.in
Company Secretary and Compliance Officer	<b>Mrs. Falguni Patel</b> <b>C/o Ranjeet Mechatronics Limited</b> Block A, 407 - 4th Floor, Dev Aurum, Anand Nagar Cross Road, Prahladnagar Road, Ahmedabad – 380 015, Gujarat <b>Telephone No.:</b> +91 – 79 – 4000 9390 <b>Email:</b> cs.compliance@ranjeet.co.in; <b>Web site:</b> www.ranjeet.co.in
Designated Stock Exchange	BSE Limited (SME Platform) <b>Address:</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001, Maharashtra
Issue Programme	<b>Issue Opens On:</b> [●] <b>Issue Closes On:</b> [●]

**Note:** Investors can contact the Company Secretary and Compliance officer in case of any pre issue or post issue related problems such as non-receipt of letter of allotment or credit of securities in depository’s beneficiary account or dispatch of refund order etc.

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

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip received from the Designated Intermediaries in addition to the information mentioned hereinabove.

### BOARD OF DIRECTORS OF OUR COMPANY

Presently our Board of Directors comprises of following Directors.

Sr. No.	Name of Directors	Designation	DIN
1.	Mr. Rakesh Vallabhbbhai Swadia	Chairman cum Managing Director	00356657
2.	Mr. Devarshi Rakesh Swadia	Whole Time Director	00356752
3.	Mrs. Nitaben Rakesh Swadia	Non-Executive Director	00356722

Sr. No.	Name of Directors	Designation	DIN
4.	Mr. Jayanta Kumar Pani	Additional (Non-Executive Independent) Director	08038621
5.	Mr. Kunal Sudhirbhai Shah	Additional (Non-Executive Independent) Director	08177662

For further details pertaining to the education qualification and experience of our Directors, please refer the chapter titled “Our Management” beginning on page no. 111 of this Prospectus.

#### DETAILS OF KEY MARKET INTERMEDIARIES PERTAINING TO THIS ISSUE AND OUR COMPANY

LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
<b>BEELINE BROKING LIMITED</b> <b>SEBI Registration Number:</b> INM000012546 <b>Address:</b> B-307, Ganesh Plaza, Near Navarangpura Bus Stop, Navarangpura, Ahmedabad – 380 009 <b>Telephone Number:</b> +91 79 6666 4007 <b>Email Id:</b> mb@beelinebroking.com <b>Investors Grievance Id:</b> ig@beelinebroking.com <b>Website:</b> www.beelinebroking.com <b>Contact Person:</b> Mr. Vanesh Panchal <b>CIN:</b> U51900GJ2014PLC080598	<b>ALANKIT ASSIGNMENTS LIMITED</b> <b>SEBI Registration Number:</b> INR000002532 <b>Address:</b> 205-208, Anarkali Complex, Jhandewalan Extn., New Delhi – 110 055, India. <b>Telephone Number:</b> +91 11 4254 1234; 2354 1234; <b>Fax Number:</b> +91 4154 3474 <b>Email Id:</b> ipo@alankit.com; <b>Website:</b> www.alankit.com <b>Investors Grievance Id:</b> ranjeet_igr@alankit.com <b>Contact Person:</b> Mr. Pankaj Goenka/ Mr. Bojiman Kh <b>CIN:</b> U74210DL1991PLC042569
BANKERS TO THE COMPANY	LEGAL ADVISOR TO THE COMPANY
<b>HDFC Bank Limited</b> <b>Address:</b> Ground Floor, Unit – 2, Shivalik – 2, B/S. IOC Petrol Pump, Nr. Shyamal Char Rasta, Satellite, Ahmedabad – 380 015 <b>Phone No.:</b> 07940321373; <b>Website:</b> www.hdfcbank.com <b>Email:</b> viralkumar.patel@hdfcbank.com <b>Contact Person:</b> Mr. Viral Patel <b>Designation:</b> Relationship Manager	<b>Mr. Vijay H Patel</b> <b>Address:</b> 403, Pramukh Plaza, Opp. Ketav Petrol Pump, Ambavadi, Ahmedabad – 380 015  <b>Mob. No.:</b> +91 98988 42348 <b>Email:</b> ca.vijay@live.com <b>Contact Person:</b> Mr. Vijay H Patel <b>Bar Council Number:</b> G/626/2013
STATUTORY AUDITOR OF THE COMPANY	PEER REVIEW AUDITOR*
<b>M/s. Philip Fernandes &amp; Co.</b> Chartered Accountants <b>Firm Registration Number:</b> 128122W <b>Address:</b> Circle B, A/25, 3 <sup>rd</sup> Floors, Above Palwan – II, S. G. Highway, Bodakdev, Ahmedabad – 380 054 <b>Contact Person:</b> Mr. Philip Fenandes <b>Membership Number:</b> 125960 <b>Mob. No.:</b> +91 99253 85039 <b>Email:</b> philipfernandes.3@gmail.com	<b>M/s. Mistry &amp; Shah</b> Chartered Accountants <b>Firm Registration Numbers:</b> 122702W <b>Address:</b> 8-10, Bhavani Chambers, Near Times of India, Ashram Road, Navrangpura, Ahmedabad – 380 009 <b>Contact Person:</b> Mr. Malav Shah <b>Membership Number:</b> 117101 <b>Tel No.:</b> +91 79 4005 0150; <b>Mob. No.:</b> +91 98255 21926 <b>Email:</b> malav@mistryandshah.com
BANKERS TO THE ISSUE AND REFUND BANKER	
●	

\* Holds valid Peer Review Certificate Number 007138 dated February 6, 2014 issued by Peer Review Board of the Institute of Chartered Accountants of India.

#### SELF-CERTIFIED SYNDICATE BANKS

The list of SCSBs, as updated till date, is available on website of Securities and Exchange Board of India at below link.

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>

Investors are requested to refer the SEBI website for updated list of SCSBs and their designated branches.

#### BROKERS TO THE ISSUE

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

#### REGISTRAR TO ISSUE AND SHARE TRANSFER AGENTS

The list of the Registrar to Issue and Share Transfer Agents (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 Collecting Depository Participants (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 Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

#### STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES

Since Beeline Broking Limited is the Lead Manager to the issue, all the responsibility of the issue will be managed by them.

#### CREDIT RATING

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

#### IPO GRADING

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

#### TRUSTEES

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

#### APPRAISAL AND MONITORING AGENCY

As per SEBI (ICDR) Regulations, 2009, as amended, appointment of monitoring agency is required only if Issue size exceeds ₹ 10,000 Lakh. Hence, our Company is not required to appoint a monitoring agency in relation to the issue. However, Audit Committee of our Company will be monitoring the utilization of the Issue Proceeds.

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

#### UNDERWRITING AGREEMENT

This Issue is 100% Underwritten. The Underwriting agreement has been entered on June 30, 2018. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

Details of the Underwriter	No. of shares underwritten	Amount Underwritten (₹ in Lakh)	% of the total Issue Size Underwritten
<b>BEELINE BROKING LIMITED</b> <b>SEBI Registration Number:</b> INM000012546 <b>Address:</b> B-307, Ganesh Plaza, Near Navarangpura Bus Stop, Navarangpura, Ahmedabad – 380 009 <b>Tel Number:</b> +91 79 6666 4007 <b>Email Id:</b> mb@beelinebroking.com <b>Investors Grievance Id:</b> ig@beelinebroking.com <b>Website:</b> www.beelinebroking.com <b>Contact Person:</b> Mr. Vanesh Panchal <b>CIN:</b> U51900GJ2014PLC080598	18,00,000	450.00	100.00%

In the opinion of our Board of Directors (based on a certificate given by the Underwriter), the resources of the above mentioned Underwriter is sufficient to enable it to discharge its underwriting obligation in full. The abovementioned

Underwriter is registered with SEBI under Section 12(1) of the SEBI Act and registered as brokers with the Stock Exchanges.

#### DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE

Our Company and the Lead Manager have entered into an agreement dated June 30, 2018 with the following Market Maker to fulfil the obligations of Market Making:

##### **BEELINE BROKING LIMITED**

**CIN:** U51900GJ2014PLC080598; **SEBI Registration No.:** INZ000000638

**Address:** B-307, Ganesh Plaza, Near Navrangpura Bus Stop, Navrangpura, Ahmedabad – 380 009, Gujarat.

**Contact Person:** Mr. Vanesh Panchal; **Tel Number:** +91 – 079 – 6666 4007; **Website:** www.beelinebroking.com

**E-mail:** mb@beelinebroking.com; **Investor Grievance Id:** ig@beelinebroking.com;

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 in this regard from time to time.

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

- 1) The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
- 2) The minimum depth of the quote shall be ₹ 1,00,000. However, the investors with holdings of value less than ₹ 1,00,000 shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he/she sells his/her entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
- 3) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
- 4) After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Shares of market maker in our Company reaches to 25% of Issue Size (Including the 96,000 Equity Shares out to be allotted under this Issue.) Any Equity Shares allotted to Market Maker under this Issue over and above 96,000 Equity Shares would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of market maker in our Company reduce to 24% of Issue Size, the market maker will resume providing 2-way quotes.
- 5) There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE may intimate the same to SEBI after due verification.
- 6) There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
- 7) On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
- 8) The Market Maker may also be present in the opening call auction, but there is no obligation on him to do so.
- 9) There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
- 10) The Market Maker(s) shall have the right to terminate said arrangement by giving a three months' notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s).

In case of termination of the Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI (ICDR)



Regulations, 2009. Further our Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our registered office from 11.00 a.m. to 5.00 p.m. on working days.

- 11) Risk containment measures and monitoring for Market Makers: SME Platform of BSE Limited will have all margins which are applicable on the Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
- 12) Punitive Action in case of default by Market Makers: 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.

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

- 13) Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to ₹ 250 crores, the applicable price bands for the first day shall be:
- i. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
  - ii. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.

Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.

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

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

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

## CAPITAL STRUCTURE

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

(₹ in Lakh except per share amount)

Sr. No.	Particulars	Aggregate value at face value	Aggregate value at issue price
A.	<b>Authorized Share Capital</b> 67,00,000 Equity Shares of face value of ₹10/- each	670.000	-
B.	<b>Issued, subscribed and paid-up Equity Share Capital before the Issue</b> 47,99,980 Equity Shares of face value of ₹ 10/- each	479.998	-
C.	<b>Present issue in terms of this Draft Prospectus</b> Issue of 18,00,000 Equity Shares of ₹ 10/- each at a price of ₹ 25/- per Equity Share. <b>Which comprises</b>	180.000	450.000
	96,000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ 25/- per Equity Share reserved as Market Maker Portion	9.600	24.000
	Net Issue to Public of 17,04,000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ 25/- per Equity Share to the Public	170.400	426.000
	<b>Net Issue to Public consists of</b>		
	8,52,000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ 25/- per Equity Share will be available for allocation for Investors investing amount up to ₹ 2.00 Lakh	85.200	213.000
	8,52,000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ 25/- per Equity Share will be available for allocation for Investors investing amount above ₹ 2.00 Lakh	85.200	213.000
D.	<b>Paid up Equity capital after the Issue</b> 65,99,980 Equity Shares of ₹ 10 each	659.998	-
E.	Securities Premium Account		
	Before the Issue		--
	After the Issue		270.000

### Note:

The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on May 28, 2018, and by the shareholders of our Company vide a special resolution passed at the EoGM held on June 4, 2018.

### CLASS OF SHARES

The company has only one class of shares i.e. Equity shares of ₹ 10/- each only. All Equity Shares issued are fully paid-up as on date of this Draft Prospectus.

Our Company does not have any outstanding convertible instruments as on the date of this Draft Prospectus.

### NOTES TO THE CAPITAL STRUCTURE:

#### 1. Changes in the Authorized Share Capital of our Company:

Since Incorporation of our Company, the authorized share capital of our Company has been changes in the manner set forth below:

Sr. No.	Particulars of Increase	Cumulative no. of equity shares	Cumulative no. of Preference shares	Cumulative Authorized Share Capital (₹ in Lakh)	Date of Meeting	Whether AGM/ EoGM
1.	On incorporation	50,000	Nil	5.00	N.A.	N.A.
2.	Increase from ₹ 5.00 Lakh divided in to 50,000 Equity	70,000	2,30,000	30.00	March 27, 2006	EoGM

Sr. No.	Particulars of Increase	Cumulative no. of equity shares	Cumulative no. of Preference shares	Cumulative Authorized Share Capital (₹ in Lakh)	Date of Meeting	Whether AGM/ EoGM
	Shares of ₹ 10/- each to ₹ 30.00 Lakh divided in to 70,000 Equity Shares of ₹ 10/- each and 2,30,000 Redeemable Non-convertible Preference Shares of ₹ 10/- each					
3.	Reclassification of Authorized Capital from ₹ 30,00,000/- divided in to 70,000 Equity Shares of ₹ 10/- each and 2,30,000 Redeemable Non-convertible Preference Shares of ₹ 10/- each to ₹ 30,00,000/- divided into 3,00,000 Equity Shares of ₹ 10/- each	3,00,000	Nil	30.00	September 8, 2008	EoGM
4.	Increase from ₹ 30.00 Lakh to ₹ 45.00 Lakh	4,50,000	Nil	45.00	January 21, 2009	EoGM
5.	Increase from ₹ 45.00 Lakh to ₹ 60.00 Lakh	6,00,000	Nil	60.00	November 23, 2015	EoGM
6.	Increase from ₹ 60.00 Lakh to ₹ 62.00 Lakh	6,20,000	Nil	62.00	January 20, 2016 (Order Effect Date)	Increased in authorized pursuant to Common Oral Order No. O/48527/2015 dated December 10, 2015 passed by Hon'ble High Court of Gujarat sanctioning the Scheme of Amalgamation
7.	Increase from ₹ 62.00 Lakh to ₹ 670.00 Lakh	67,00,000	Nil	670.00	April 4, 2018	EoGM

## 2. History of Paid-up Share Capital:

Our existing Paid-up Share Capital has been subscribed and allotted in the manner set forth below:

Date of allotment	Number of equity shares Allotted	Number of Preference shares * Allotted	Face value (In ₹)	Issue price (In ₹)	Nature of consideration (Cash, other than Cash, Bonus)	Nature of allotment/ Transaction	Cumulative Number of Equity Shares	Cumulative Number of Preference Shares	Cumulative Paid up share Capital (In ₹)	Cumulative Share Premium (In ₹)
June 10, 1993 (On	200	Nil	10	10	Cash	Subscription to Memorandum	200	Nil	2,000	-

Date of allotment	Number of equity shares Allotted	Number of Preference shares * Allotted	Face value (In ₹)	Issue price (In ₹)	Nature of consideration (Cash, other than Cash, Bonus)	Nature of allotment/ Transaction	Cumulative Number of Equity Shares	Cumulative Number of Preference Shares	Cumulative Paid up share Capital (In ₹)	Cumulative Share Premium (In ₹)
Incorporation)						of Association (1)				
May 30, 1994	30	Nil	10	10	Cash	Further Allotment (2)	230	Nil	2,300	-
July 24, 1995	20000	Nil	10	10	Cash	Further Allotment (3)	20230	Nil	2,02,300	-
March 27, 2006	29760	-	10	10	Conversion of Unsecured Loans	Further Allotment (4)	49990	-	27,02,400	-
	-	220250	10	10	Conversion of Unsecured Loans	Allotment (4)	-	220250		
August 31, 2008	-	(220250)	-	-	Redemption of Redeemable Non-convertible Preference Shares <sup>(5)</sup>		49990	(220250)	4,99,900	-
September 19, 2008	250010	Nil	10	13	Conversion of Unsecured Loans	Further Allotment (6)	300000	Nil	30,00,000	7,50,030.0
February 3, 2009	149990	Nil	10	13	Conversion of Unsecured Loans	Further Allotment (7)	449990	Nil	44,99,900	12,00,000.0
May 29, 2010	5	Nil	10	13.5	Cash	Further Allotment (8)	449995	Nil	44,99,950	12,00,017.50
January 1, 2016	100000	Nil	10	10	Other than Cash	Pursuant to Common Oral Order No. O/48527/2015 dated December 10, 2015 passed by Hon'ble High Court of Gujarat sanctioning the Scheme of Amalgamation <sup>(9)</sup>	549995	Nil	54,99,950	12,00,017.50
April 30, 2018	335000	Nil	10	47	Cash	Further Allotment (10)	884995	Nil	88,49,950	1,35,95,017.50
May 3, 2018	180000	Nil	10	47	Cash	Further Allotment (11)	1064995	Nil	1,06,49,950	2,02,55,017.50
May 9, 2018	135000	Nil	10	47	Cash	Further Allotment (12)	1199995	Nil	1,19,99,950	2,52,50,017.50
May 18, 2018	3599985	Nil	10	-	Bonus Allotment (in the ratio of 3:1	Bonus Allotment (13)	4799980	Nil	4,79,99,800	-

Date of allotment	Number of equity shares Allotted	Number of Preference shares * Allotted	Face value (In ₹)	Issue price (In ₹)	Nature of consideration (Cash, other than Cash, Bonus)	Nature of allotment/ Transaction	Cumulative Number of Equity Shares	Cumulative Number of Preference Shares	Cumulative Paid up share Capital (In ₹)	Cumulative Share Premium (In ₹)
					equity shares)					

\* Redeemable Non-convertible Preference Shares.

(1) The details of allotment made to the subscribers to the Memorandum of Associations are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Mr. Indukantbhai Swadia	100	10	10
2.	Mrs. Shantaben Vallabhbbhai Swadia	100	10	10
<b>Total</b>		<b>200</b>	<b>10</b>	<b>10</b>

(2) The details of further allotment of 30 fully paid up equity shares of ₹ 10/- each made on May 30, 1994, at par, are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Mr. Rajendrabhai Indukantbhai Swadia	5	10	10
2.	Mrs. Saraswatiben Indukantbhai Swadia	5	10	10
3.	Mrs. Gargiben Rejendrabhai Swadia	5	10	10
4.	Mr. Rakesh Vallabhbbhai Swadia	5	10	10
5.	Mrs. Nitaben Rakeshbhai Swadia	5	10	10
6.	Master Devarshi Rakeshbhai Swadia	5	10	10
<b>Total</b>		<b>30</b>	<b>10</b>	<b>10</b>

(3) The details of further allotment of 20000 fully paid up equity shares of ₹ 10/- each made on July 24, 1995, at par, are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Mr. Indukantbhai Swadia	2500	10	10
2.	Mrs. Shantaben Vallabhbbhai Swadia	5000	10	10
3.	Mr. Rajendrabhai Indukantbhai Swadia	2500	10	10
4.	Mrs. Saraswatiben Indukantbhai Swadia	2500	10	10
5.	Mrs. Gargiben Rejendrabhai Swadia	2500	10	10
6.	Mr. Rakesh Vallabhbbhai Swadia	1000	10	10
7.	Mrs. Nitaben Rakeshbhai Swadia	1000	10	10
8.	Master Devarshi Rakeshbhai Swadia	3000	10	10
<b>Total</b>		<b>20000</b>	<b>10</b>	<b>10</b>

(4) The details of further allotment of 29760 fully paid up equity shares of ₹ 10/- each and 220250 fully paid up Redeemable Non-convertible Preference Shares of ₹ 10/- each made on March 27, 2006, at par, are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Mrs. Shantaben Vallabhbbhai Swadia	10	10	10
2.	Mr. Rakesh Vallabhbbhai Swadia	10240	10	10
3.	Mrs. Nitaben Rakeshbhai Swadia	10000	10	10
4.	Mr. Devarshi Rakeshbhai Swadia	7510	10	10
5.	Ms. Manishaben Rajkumar Mathani	2000	10	10

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
<b>Total</b>		<b>29760</b>	<b>10</b>	<b>10</b>

Sr. No.	Name of Allottee	No. of Redeemable Non-convertible Preference Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Mrs. Shantaben Vallabhbbhai Swadia	64090	10	10
2.	Mr. Rakesh Vallabhbbhai Swadia	22070	10	10
3.	Mrs. Nitaben Rakeshbhai Swadia	62700	10	10
4.	Mr. Devarshi Rakeshbhai Swadia	29890	10	10
5.	Rakesh V Swadia HUF*	41500	10	10
<b>Total</b>		<b>220250</b>	<b>10</b>	<b>10</b>

\* As per Form 2 filed with Registrar of Companies, the Vallabhbbhai B Swadia HUF is allottee for 41500 Redeemable Non-convertible Preference Shares whereas as per registers and other record maintained by the Company, the same is allotted to Rakesh V Swadia HUF.

(5) The details of Redemption of 220250 fully paid up Redeemable Non-convertible Preference Shares of ₹ 10/- each made on August 31, 2008, at par, are as follows:

Sr. No.	Name of Allottee	No. of Redeemable Non-convertible Preference Shares redeemed	Face Value per share (in ₹)	Redemption Price per share (in ₹)
1.	Mr. Rakesh Vallabhbbhai Swadia	82070	10	10
2.	Mrs. Nitaben Rakeshbhai Swadia	62700	10	10
3.	Mr. Devarshi Rakeshbhai Swadia	29890	10	10
4.	Rakesh V Swadia HUF*	41500	10	10
5.	Devarshi Rakeshbhai Swadia HUF	4090	10	10
<b>Total</b>		<b>220250</b>	<b>10</b>	<b>10</b>

\* As per Form 2 filed with Registrar of Companies, the Vallabhbbhai B Swadia HUF is allottee for 41500 Redeemable Non-convertible Preference Shares. There was no transaction took place for transfer of 41500 Redeemable Non-convertible Preference Shares to Rakesh V Swadia HUF and as per registers and other record maintained by the Company, the redemption right was entitled to Rakesh V Swadia HUF.

(6) The details of further allotment of 250010 fully paid up equity shares of ₹ 10/- each made on September 19, 2008, at a price of ₹ 13/- per equity share, are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Mr. Rakesh Vallabhbbhai Swadia	105870	10	13
2.	Mrs. Nitaben Rakeshbhai Swadia	68660	10	13
3.	Mr. Devarshi Rakeshbhai Swadia	29890	10	13
4.	Rakesh V Swadia HUF	41500	10	13
5.	Devarshi Rakeshbhai Swadia HUF	4090	10	13
<b>Total</b>		<b>250010</b>	<b>10</b>	<b>13</b>

(7) The details of further allotment of 149990 fully paid up equity shares of ₹ 10/- each made on February 3, 2009, at an issue price of ₹ 13/- per equity share, are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Mr. Rakesh Vallabhbbhai Swadia	75000	10	13
2.	Mrs. Nitaben Rakeshbhai Swadia	25000	10	13
3.	Mr. Devarshi Rakeshbhai Swadia	25000	10	13



4.	Ms. Manishaben Rajkumar Mathani	24990	10	13
<b>Total</b>		<b>149990</b>	<b>10</b>	<b>13</b>

(8) The details of further allotment of 5 fully paid up equity shares of ₹ 10/- each made on May 29, 2010, at an issue price of ₹ 13.50/- per equity share, are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Master Ahalya Devarshi Swadia	5	10	13.50
<b>Total</b>		<b>5</b>	<b>10</b>	<b>13.50</b>

(9) The details of allotment of 100000 fully paid up equity shares of ₹ 10/- each (80000 Equity Shares to the then existing Shareholders of Himgiri Solutions Private Limited and 20000 Equity Shares to the then existing Shareholders of Destiny Zone Security Systems Private Limited) made on January 1, 2016, at par, pursuant to Common Oral Order No. O/48527/2015 dated December 10, 2015 passed by Hon'ble High Court of Gujarat sanctioning the Scheme of Amalgamation, are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Mr. Rakesh Vallabhnbhai Swadia	28200	10	10
2.	Mrs. Nitaben Rakeshbhai Swadia	10000	10	10
3.	Mr. Devarshi Rakeshbhai Swadia	27400	10	10
4.	Ms. Manishaben Rajkumar Mathani	7000	10	10
5.	Mr. Raju Birendrabhai Mishra	27400	10	10
<b>Total</b>		<b>100000</b>	<b>10</b>	<b>10</b>

For further details of "Scheme of Amalgamation", please refer to chapter titled "History and Certain Corporate Matters" on page no. 106 of this Draft Prospectus.

(10) The details of further allotment of 335000 fully paid up equity shares of ₹ 10/- each made on April 30, 2018, at an issue price of ₹ 47/- per equity share, are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Mrs. Nitaben Rakeshbhai Swadia	90000	10	47
2.	Ms. Manishaben Rajkumar Mathani	50000	10	47
3.	Rakesh V Swadia HUF	15000	10	47
4.	Devarshi Rakeshbhai Swadia HUF	8000	10	47
5.	Master Ahalya Devarshi Swadia	7000	10	47
6.	Mrs. Shiljaben Nikul Patel	13500	10	47
7.	Master Shrividya Devarshi Swadia	1500	10	47
8.	Jignesh Babulal Shah HUF	75000	10	47
9.	Mrs. Vaishali Jignesh Shah	75000	10	47
<b>Total</b>		<b>335000</b>	<b>10</b>	<b>47</b>

(11) The details of further allotment of 180000 fully paid up equity shares of ₹ 10/- each made on May 3, 2018, at an issue price of ₹ 47/- per equity share, are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Mr. Rakesh Vallabhnbhai Swadia	180000	10	47
<b>Total</b>		<b>180000</b>	<b>10</b>	<b>47</b>

(12) The details of further allotment of 135000 fully paid up equity shares of ₹ 10/- each made on May 9, 2018, at an issue price of ₹ 47/- per equity share, are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Mr. Devarshi Rakeshbhai Swadia	135000	10	47
<b>Total</b>		<b>135000</b>	<b>10</b>	<b>47</b>

(13) The details of 3599985 Bonus equity shares allotted on May 18, 2018 in the ratio of 3:1 (3 equity shares for every 1 equity share) are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Mr. Rakesh Vallabhbbhai Swadia	1231590	10	-
2.	Mrs. Nitaben Rakeshbhai Swadia	591510	10	-
3.	Mr. Devarshi Rakeshbhai Swadia	840930	10	-
4.	Ms. Manishaben Rajkumar Mathani	251970	10	-
5.	Rakesh V Swadia HUF	46500	10	-
6.	Devarshi Rakeshbhai Swadia HUF	36270	10	-
7.	Master Ahalya Devarshi Swadia	21000	10	-
8.	Raju Birendrabhai Mishra	82200	10	-
9.	Mrs. Shiljaben Nikul Patel	43515	10	-
10.	Master Shrividya Devarshi Swadia	4500	10	-
11.	Jignesh Babulal Shah HUF	225000	10	-
12.	Mrs. Vaishali Jignesh Shah	225000	10	-
<b>Total</b>		<b>3599985</b>	<b>10</b>	<b>-</b>

The aforementioned Bonus allotment has been made by capitalizing credit balance of Securities and Premium Account to the extent of ₹ 2,52,50,017.50/- and credit balance of Surplus Account to the extent of ₹ 1,07,49,832.50/-.

3. Our Company has not issued shares for consideration other than cash or out of revaluation of reserves, including Bonus Shares, at any point of time since Incorporation, except the allotments given hereunder;
- A. Allotment of 100000 fully paid up equity shares of ₹ 10/- each, made on January 1, 2016, at par, pursuant to Common Oral Order No. O/48527/2015 dated December 10, 2015 passed by Hon'ble High Court of Gujarat sanctioning the Scheme of Amalgamation:

Sr. No.	Name of Allottee	Category of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)	Reason	Benefit accrued to Company
1.	Mr. Rakesh Vallabhbbhai Swadia	Promoter	28200	10	10	Allotment pursuant to Common Oral Order No. O/48527/2015 dated December 10, 2015 passed by Hon'ble High Court of Gujarat sanctioning the Scheme of Amalgamation	
2.	Mr. Devarshi Rakeshbhai Swadia	Promoter	27400	10	10		
3.	Mrs. Nitaben Rakeshbhai Swadia	Promoters' Group	10000	10	10		
4.	Ms. Manishaben Rajkumar Mathani	Promoters' Group	7000	10	10		
5.	Mr. Raju Birendrabhai Mishra	Public	27400	10	10		
<b>Total</b>			<b>100000</b>	<b>10</b>	<b>10</b>		

- B. Allotment of 3599985 Bonus equity shares allotted on May 18, 2018 in the ratio of 3:1 (3 equity shares for every 1 equity share):

Sr. No.	Name of Allottee	Category of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)	Reason	Benefit accrued to Company
1.	Mr. Rakesh Vallabhbhai Swadia	Promoter	1231590	10	-	Bonus Issue	Nil
2.	Mr. Devarshi Rakeshbhai Swadia	Promoter	840930	10	-	Bonus Issue	Nil
3.	Mrs. Nitaben Rakeshbhai Swadia	Promoters' Group	591510	10	-	Bonus Issue	Nil
4.	Ms. Manishaben Rajkumar Mathani	Promoters' Group	251970	10	-	Bonus Issue	Nil
5.	Rakesh V Swadia HUF	Promoters' Group	46500	10	-	Bonus Issue	Nil
6.	Devarshi Rakeshbhai Swadia HUF	Promoters' Group	36270	10	-	Bonus Issue	Nil
7.	Master Ahalya Devarshi Swadia	Promoters' Group	21000	10	-	Bonus Issue	Nil
8.	Raju Birendrabhai Mishra	Public	82200	10	-	Bonus Issue	Nil
9.	Mrs. Shiljaben Nikul Patel	Promoters' Group	43515	10	-	Bonus Issue	Nil
10.	Master Shrividya Devarshi Swadia	Promoters' Group	4500	10	-	Bonus Issue	Nil
11.	Jignesh Babulal Shah HUF	Public	225000	10	-	Bonus Issue	Nil
12.	Mrs. Vaishali Jignesh Shah	Public	225000	10	-	Bonus Issue	Nil
<b>Total</b>			<b>3599985</b>	<b>10</b>	<b>-</b>		

The aforementioned Bonus allotment has been made by capitalizing credit balance of Securities and Premium Account to the extent of ₹ 2,52,50,017.50/- and credit balance of Surplus Account to the extent of ₹ 1,07,49,832.50/-.

4. Our Company has allotted 100000 Equity Shares on January 1, 2016 pursuant to a scheme of amalgamation of Himgiri Solutions Private Limited and Destiny Zone Security Systems Private Limited with our Company under sections 391 to 394 of the Companies Act, 1956. The details of said allotment is set forth below;

Sr. No.	Name of Allottee	No. of Equity Shares held in Himgiri Solutions Private Limited	No. of Equity Shares Allotted for Himgiri Solutions Private Limited*	No. of Equity Shares held in Destiny Zone Security Systems Private Limited	No. of Equity Shares Allotted for Destiny Zone Security Systems Private Limited^	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Mr. Rakesh Vallabhbhai Swadia	3400	27200	500	1000	10	10
2.	Mrs. Nitaben Rakeshbhai Swadia	0	0	5000	10000	10	10
3.	Mr. Devarshi Rakeshbhai Swadia	3300	26400	500	1000	10	10
4.	Ms. Manishaben Rajkumar Mathani	0	0	3500	7000	10	10
5.	Mr. Raju Birendrabhai Mishra	3300	26400	500	1000	10	10
<b>Total</b>		<b>10000</b>	<b>80000</b>	<b>10000</b>	<b>20000</b>	<b>10</b>	<b>10</b>

\* 8 (Eight) Equity Shares of ₹ 10/- each was credited as fully paid up of our Company for each 1 (One) equity share of ₹ 10/- held in Himgiri Solutions Private Limited.

^ 2 (Two) Equity Shares of ₹ 10/- each was credited as fully paid up of our Company for each 1 (One) equity share of ₹ 10/- each held Destiny Zone Security Systems Private Limited.

For further details of "Scheme of Amalgamation", please refer to chapter titled "History and Certain Corporate Matters" on page no. 106 of this Draft Prospectus.

5. Except as stated in Note No. 4 above, our Company has not allotted any Equity Shares pursuant to any scheme approved under Section 230 to 234 of the Companies Act, 2013.
6. Our Company has not revalued its assets since inception and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
7. Our Company has not issued any equity shares at price lower than the Issue Price during past one year from the date of this Draft Prospectus, except allotment of 3599985 Bonus equity shares allotted on May 18, 2018 in the ratio of 3:1 (3 equity shares for every 1 equity share), details of which is given hereunder;

Sr. No.	Name of Allottee	Category of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)	Reason
1.	Mr. Rakesh Vallabhbbhai Swadia	Promoter	1231590	10	-	Bonus Issue
2.	Mr. Devarshi Rakeshbhai Swadia	Promoter	840930	10	-	Bonus Issue
3.	Mrs. Nitaben Rakeshbhai Swadia	Promoters' Group	591510	10	-	Bonus Issue
4.	Ms. Manishaben Rajkumar Mathani	Promoters' Group	251970	10	-	Bonus Issue
5.	Rakesh V Swadia HUF	Promoters' Group	46500	10	-	Bonus Issue
6.	Devarshi Rakeshbhai Swadia HUF	Promoters' Group	36270	10	-	Bonus Issue
7.	Master Ahalya Devarshi Swadia	Promoters' Group	21000	10	-	Bonus Issue
8.	Raju Birendrabhai Mishra	Public	82200	10	-	Bonus Issue
9.	Mrs. Shiljaben Nikul Patel	Promoters' Group	43515	10	-	Bonus Issue
10.	Master Shrividya Devarshi Swadia	Promoters' Group	4500	10	-	Bonus Issue
11.	Jignesh Babulal Shah HUF	Public	225000	10	-	Bonus Issue
12.	Mrs. Vaishali Jignesh Shah	Public	225000	10	-	Bonus Issue
<b>Total</b>			<b>3599985</b>	<b>10</b>	<b>-</b>	

The aforementioned Bonus allotment has been made by capitalizing credit balance of Securities and Premium Account to the extent of ₹ 2,52,50,017.50/- and credit balance of Surplus Account to the extent of ₹ 1,07,49,832.50/-.

## 8. Share Capital Build-up of our Promoters, Promoters' Contribution & Lock-in:

### A. Share Capital Build-up of our Promoters:

As on the date of this Draft Prospectus, our Promoters – Mr. Rakesh Vallabhbbhai Swadia and Mr. Devarshi Rakesh Swadia hold total 2763360 Equity Shares representing 57.57% of the pre-issue paid up share capital of our Company.

All the Equity Shares allotted and held by our Promoters were fully paid at the time of allotment itself. None of the Equity Shares held by our Promoters are subject to any pledge.

**The build-up of equity shareholding of Mr. Rakesh Vallabhbbhai Swadia, Promoter of our Company is as follows.**

Date of Allotment / Transfer	Nature of Issue Allotment / Transfer	Number of Equity shares	Cumulative No. of Equity Shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Total Consideration Paid	% of Pre Issue Capital	% of post issue Capital	Lock in Period
May 30, 1994	Further Allotment	5	5	10	10	50	0.00	0.00	1 Year
July 24, 1995	Further Allotment	1000	1005	10	10	10000	0.02	0.02	1 Year
March 27, 2006	Further Allotment	10240	11245	10	10	102400	0.21	0.16	1 Year
September 19, 2008	Further Allotment	105870	117115	10	13	1376310	2.21	1.60	1 Year
February 3, 2009	Further Allotment	75000	192115	10	13	975000	1.56	1.14	3 Years

Date of Allotment / Transfer	Nature of Issue Allotment / Transfer	Number of Equity shares	Cumulative No. of Equity Shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Total Consideration Paid	% of Pre Issue Capital	% of post issue Capital	Lock in Period
April 15, 2009	Transmission <sup>^</sup>	10215	202330	10	-	-	0.21	0.15	1 Year
January 1, 2016	Further Allotment *	28200	230530	10	10	282000	0.59	0.43	1 Year
May 3, 2018	Further Allotment	180000	410530	10	47	8460000	3.75	2.73	3 Years
May 18, 2018	Bonus Allotment	570000	980530	10	0	0	11.88	8.64	3 Years
		661590	1642120	10	0	0	13.78	10.02	1 Year
<b>Total</b>		<b>1642120</b>					<b>34.21</b>	<b>24.88</b>	

\* For further details of on the said allotment, please refer to Note NO. 4 of this Chapter and Section titled “Scheme of Amalgamation” under Chapter titled “History and Certain Corporate Matters” on page no. 106 of this Draft Prospectus.

<sup>^</sup> The equity shares were transmitted from Late Mrs. Shantaben Swadia.

**The build-up of preference shareholding of Mr. Rakesh Vallabhbbhai Swadia, Promoter of our Company is as follows.**

Date of Allotment / Transfer	Nature of Issue Allotment / Transfer	Number of Preference shares*	Cumulative No. of Equity Shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Total Consideration Paid	Date of Redemption	Number of Preference shares* redeemed	Price per share at which Redeemed (in ₹)
March 27, 2006	Allotment	22070	22070	10	10	220700	August 31, 2008	22070	10
August 25, 2008	Transmission <sup>^</sup>	60000	82070	10	-	-	August 31, 2008	60000	10

\* Redeemable Non-convertible Preference Shares.

<sup>^</sup> The equity shares were transmitted from Late Mrs. Shantaben Swadia.

**The build-up of equity shareholding of Mr. Devarshi Rakesh Swadia, Promoter of our Company is as follows.**

Date of Allotment / Transfer	Nature of Issue Allotment / Transfer	Number of Equity shares	Cumulative No. of Equity Shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Total Consideration Paid	% of Pre Issue Capital	% of post issue Capital	Lock in Period
May 30, 1994	Further Allotment	5	5	10	10	50	0.00	0.00	1 Year
July 24, 1995	Further Allotment	3000	3005	10	10	30000	0.06	0.05	1 Year
April 1, 1996	Transfer <sup>^</sup>	1005	4010	10	10	10050	0.02	0.02	1 Year
March 27, 2006	Further Allotment	7510	11520	10	10	75100	0.16	0.11	1 Year
September 19, 2008	Further Allotment	29890	41410	10	13	388570	0.62	0.45	1 Year
February 3, 2009	Further Allotment	25000	66410	10	13	325000	0.52	0.38	1 Year
January 1, 2016	Further Allotment*	27400	93810	10	10	274000	0.57	0.42	1 Year
May 9, 2018	Further Allotment	135000	228810	10	47	6345000	2.81	2.05	3 Years
May 15, 2018	Transfer <sup>@</sup>	51500	280310	10	10	515000	1.07	0.78	1 Year

May 18, 2018	Bonus Allotment	365000	645310	10	0	0	7.60	5.53	3 Years
		475930	1121240	10	0	0	9.92	7.21	1 Year
<b>Total</b>		<b>1121240</b>				<b>7962770</b>	<b>23.36</b>	<b>16.99</b>	

\* For further details of on the said allotment, please refer to section titled "Scheme of Amalgamation" under Chapter titled "History and Certain Corporate Matters" on page no. 106 of this Draft Prospectus.

^ The said equity shares were acquired through transfer from Late Mrs. Gargiben Rajendrabhai Swadia.

@ 10000 equity shares were acquired from Mrs. Nitaben Swadia and 41500 equity shares from Rakesh V Swadia HUF.

**The build-up of preference shareholding of Mr. Devarshi Rakesh Swadia, Promoter of our Company is as follows.**

Date of Allotment / Transfer	Nature of Issue Allotment / Transfer	Number of Preference shares*	Cumulative No. of Equity Shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Total Consideration Paid	Date of Redemption	Number of Preference shares* redeemed	Price at which Redeemed (in ₹) per share
March 27, 2006	Allotment	29890	29890	10	10	298900	August 31, 2008	29890	10

\* Redeemable Non-convertible Preference Shares.

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

As per clause (a) of sub-regulation (1) Regulation 32 and sub-regulation (a) Regulation 36 of the SEBI ICDR Regulations, minimum twenty percent of the Post-Issue Equity Share Capital held by our Promoters in our Company shall be locked-in for a period of three years from the date of commencement of commercial production or date of allotment in the public issue, whichever is later. The lock-in of the Promoters' Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

Our Promoters have given written consent to include 1325000 Equity Shares subscribed and held by them as a part of Minimum Promoters' Contribution constituting 20.08% of the post issue Equity Shares of our Company ("Minimum Promoters' contribution") and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Minimum Promoters' Contribution, and to be marked as locked in for a period of three years from the date of commencement of commercial production or date of allotment in the proposed public issue, whichever is later.

Date of Allotment / Transfer	Nature of Issue Allotment / Transfer	Number of Equity shares	Face Value (in ₹)	Issue/ Transfer Price (in ₹)	Consideration (Cash/ other than cash)	Source of Contribution *	% of Pre Issue Capital	% of post issue Capital	Lock in Period
<b>Mr. Rakesh Vallabhnbhai Swadia</b>									
February 3, 2009	Further Allotment	75000	10	13	Other than Cash (conversion of Loans)	Owned Fund Capital	1.56	1.14	3 Years
May 3, 2018	Further Allotment	180000	10	47	Cash	Owned Fund Capital	3.75	2.73	3 Years
May 18, 2018	Bonus Allotment	570000	10	-	N.A.	N.A.	11.88	8.64	3 Years
<b>Total</b>		<b>825000</b>					<b>17.19</b>	<b>12.50</b>	

Date of Allotment / Transfer	Nature of Issue Allotment / Transfer	Number of Equity shares	Face Value (in ₹)	Issue/ Transfer Price (in ₹)	Consideration (Cash/ other than cash)	Source of Contribution	% of Pre Issue Capital	% of post issue Capital	Lock in Period
<b>Mr. Devarshi Rakesh Swadia</b>									
May 9, 2018	Further Allotment	135000	10	47	Cash	Owned Fund Capital	2.81	2.05	3 Years
May 18, 2018	Bonus Allotment	365000	10	0	N.A.	N.A.	7.60	5.53	3 Years
<b>Total</b>		<b>500000</b>					<b>10.42</b>	<b>7.58</b>	



\* The Source of Contribution as certified by the M/s. Philip Fernandes & Co., Chartered Accountants vide their certificate dated July 26, 2018.

All the Equity Shares allotted and held by our Promoters were fully paid at the time of allotment itself. The Equity Shares of our Company held by the Promoters' are in the process of dematerialization.

We further confirm that Minimum Promoters' Contribution of 20.08% of the post Issue Equity Share capital does not include any contribution from Alternative Investment Fund.

The Minimum Promoters' Contribution has been brought into to the extent of not less than the specified minimum lot and has been contributed by the persons defined as Promoters under the SEBI ICDR Regulations.

The Equity Shares, which are being locked in as Minimum Promoters' Contribution, are not ineligible for computation of Minimum Promoters' Contribution in terms of Regulation 33 of the SEBI ICDR Regulations. We confirm that the Minimum Promoters' Contribution of 20.08% of the Post Issue Capital of our Company which is subject to lock-in for three years does not consist of:

- Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction;
- Equity Shares acquired during the preceding three years resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the issuer or from bonus issue against equity shares which are ineligible for minimum Promoters' contribution;
- No equity shares have been issued to our promoters upon conversion of a partnership firm during the preceding one year at a price less than the issue price;
- The Equity Shares held by the Promoters and offered for Minimum Promoters' contribution are not subject to any pledge with any creditor; and
- Equity Shares acquired by Promoters during the preceding one year at a price lower than the price at which equity shares are being offered to public in the Issue;

#### **9. Equity Shares locked-in for one year**

In addition to Minimum Promoters' Contribution which shall be locked-in for three years, the balance entire Pre-Issue Paid-up Equity Share Capital of our Company i.e. 34,74,980 Equity Shares will be locked-in for a period of one year from the date of allotment in the proposed Initial Public Offer.

#### **10. Other requirements in respect of 'Lock-in'**

In terms of Regulation 40 of the SEBI (ICDR) Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred, after making compliance of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable, to any other person holding the Equity Shares which are locked-in as per Regulation 37 of the SEBI (ICDR) Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and such transferee shall not be eligible to transfer them till the lock-in period stipulated in these regulations has expired.

In terms of Regulation 40 of the SEBI (ICDR) Regulations, the Equity Shares held by our Promoters which are locked in as per the provisions of Regulation 36 of the SEBI (ICDR) Regulations, may be transferred, after making compliance of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable, to and amongst Promoters or any person of the Promoters' Group or to a new promoter(s) or persons in control of our Company, subject to continuation of lock-in in the hands of transferees for the remaining period and such transferee shall not be eligible to transfer them till the lock-in period stipulated in these regulations has expired.

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

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

- If the specified securities are locked-in in terms of sub-regulation (b) of Regulation 36 of the SEBI (ICDR) Regulations and the pledge of specified securities is one of the terms of sanction of the loan.
- 11.** Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI Share Based Employee Benefits Regulations, 2014.

**12. Our shareholding pattern:**

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

**(A). Table I - Summary Statement holding of specified securities**

Sr. No. (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Share holding as a % of total no. of shares (calculated as per SCR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) as a % of (A+B+C2)	Number of Locked in shares (XII)*		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form**	
								Class eg: X	Class eg: y	Total			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)		
																		No. (a)
(A)	Promoter & Promoter Group	9	4090380	0	0	4090380	85.22	4090380	0	4090380	85.22	0	85.22	0	0.00	0	0	0
(B)	Public	3	709600	0	0	709600	14.78	709600	0	709600	14.78	0	14.78	0	0.00	N.A.	N.A.	0
(C)	Non Promoter-Non Public																	
(C1)	Shares underlying DRs	0	0	0	0	0	NA	0	0	0	0	0	0	0	0.00	N.A.	N.A.	0
(C2)	Shares held by Employee Trusts	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	N.A.	N.A.	0
	<b>Total</b>	<b>12</b>	<b>4799980</b>	<b>0</b>	<b>0</b>	<b>4799980</b>	<b>100.00</b>	<b>4799980</b>	<b>0</b>	<b>4799980</b>	<b>100.00</b>	<b>0</b>	<b>100.00</b>	<b>0</b>	<b>0.00</b>	<b>N.A.</b>	<b>N.A.</b>	<b>0</b>

**Note:**

\* All Pre-IPO Equity Shares of our Company will be locked in as mentioned above prior to listing of shares on SME Platform of BSE Limited.

\*\* In terms of SEBI circular bearing Number Cir/ISD/3/2011 dated June 17, 2011 and SEBI circular bearing no. SEBI/Cir/ISD/05/2011, dated September 30, 2011, our Company shall ensure that the Equity Shares held by the Promoters / members of the Promoters' Group shall be dematerialized prior to listing of shares.

**(B). Table II - Statement showing shareholding pattern of the Promoters and Promoters' Group**

Sr. No. (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V) + (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII) +(X) as a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form	
								Class eg: X	Class eg: y	Total			Total as a % of (A+B+C)	No. (a)	As a % of total shares held (b)	No. (a)		As a % of total shares held (b)
(1)	<b>Indian</b>																	
(a)	Individuals/Hindu undivided Family	9	4090380	0	0	4090380	85.22	4090380	0	4090380	85.22	0	85.22	0	0.00	0	0.00	0
	Rakesh Vallabhbbhai Swadia	-	1642120	0	0	1642120	34.21	1642120	0	1642120	34.21	0	34.21	0	0.00	0	0.00	0
	Devarshi Rakeshbhai Swadia	-	1121240	0	0	1121240	23.36	1121240	0	1121240	23.36	0	23.36	0	0.00	0	0.00	0
	Nitaben Rakeshbhai Swadia	-	788680	0	0	788680	16.43	788680	0	788680	16.43	0	16.43	0	0.00	0	0.00	0
	Manishaben Rajkumar Mathani	-	335960	0	0	335960	7.00	335960	0	335960	7.00	0	7.00	0	0.00	0	0.00	0
	Rakesh V Swadia HUF	-	62000	0	0	62000	1.29	62000	0	62000	1.29	0	1.29	0	0.00	0	0.00	0
	Devarshi Rakeshbhai Swadia HUF	-	48360	0	0	48360	1.01	48360	0	48360	1.01	0	1.01	0	0.00	0	0.00	0
	Master Ahalya Devarshi Swadia	-	28000	0	0	28000	0.58	28000	0	28000	0.58	0	0.58	0	0.00	0	0.00	0

	Master Shrividya Devarshi Swadia	-	6000	0	0	6000	0.13	6000	0	6000	0.13	0	0.13	0	0.00	0	0.00	0
	Shiljaben Nikul Patel	-	58020	0	0	58020	1.21	58020	0	58020	1.21	0	1.21	0	0.00	0	0.00	0
(b)	Central Government/ State Government(s)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(c)	Financial Institutions/ Banks	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(d)	Any Other (specify)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
	<b>Sub-Total (A)(1)</b>	<b>9</b>	<b>4090380</b>	<b>0</b>	<b>0</b>	<b>4090380</b>	<b>85.22</b>	<b>4090380</b>	<b>0</b>	<b>4090380</b>	<b>85.22</b>	<b>0</b>	<b>85.22</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>
(2)	Foreign																	
(a)	Individuals (Non Resident Individuals/ Foreign Individuals)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(b)	Government	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(c)	Institutions	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(d)	Foreign Portfolio Investor	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(e)	Any Other (specify)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
	<b>Sub-Total (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>
	<b>Total Shareholding of Promoters and Promoters' Group (A)=(A)(1)+(A)(2)</b>	<b>9</b>	<b>4090380</b>	<b>0</b>	<b>0</b>	<b>4090380</b>	<b>85.22</b>	<b>4090380</b>	<b>0</b>	<b>4090380</b>	<b>85.22</b>	<b>0</b>	<b>85.22</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>
Details of Shares which remain unclaimed may be given hear along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc. - N.A																		
<b>Note:</b>																		
PAN of the Shareholders will be provided by our Company to the Stock Exchange but would not be displayed on website of Stock Exchange(s).																		
The term "Encumbrance" has the same meaning as assigned under regulation 28(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.																		

(C). Table III - Statement showing shareholding pattern of the Public shareholder

Sr. No. (I)	Category of shareholder (II)	No. of shares held (II)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957), As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)				No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) as a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form	
								No of Voting (XIV) Rights			Total as a % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)		
								Class eg: X	Class eg: Y	Total									
(1)	<b>Institutions</b>																		
(a)	Mutual Funds	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N.A.	N.A.	0	
(b)	Venture Capital Funds	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N.A.	N.A.	0	
(c)	Alternate Investment Funds	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N.A.	N.A.	0	
(d)	Foreign Venture Capital Investors	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N.A.	N.A.	0	
(e)	Foreign Portfolio Investors	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N.A.	N.A.	0	
(f)	Financial Institutions/Banks	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N.A.	N.A.	0	
(g)	Insurance Companies	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N.A.	N.A.	0	
(h)	Provident Funds/Pension Funds	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N.A.	N.A.	0	
(i)	Any Other (specify)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N.A.	N.A.	0	
	<b>Sub-Total (B)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>N.A.</b>	<b>N.A.</b>	<b>0</b>	
(2)	Central Government/State Government(s)/President of India					0	0.00	0		0	0.00	0	0.00	0	0.00	N.A.	N.A.	0	



	Sub-Total (B)(2)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N.A.	N.A.	0
(3)	<b>Non-institutions</b>																	
(a(i))	Individuals - i. Individual shareholders holding nominal share capital up to ₹ 2 lakhs.	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N.A.	N.A.	0
(a(ii))	Individuals - ii. Individual shareholders holding nominal share capital in excess of ₹ 2 lakhs.	2	409600	0	0	409600	8.53	409600	0	409600	8.53	0	8.53	0	0.00	N.A.	N.A.	0
	Raju Birendrabhai Mishra	-	109600	0	0	109600	2.28	109600	0	109600	2.28	0	2.28	0	0.00	N.A.	N.A.	0
	Vaishali Jignesh Shah	-	300000	0	0	300000	6.25	300000	0	300000	6.25	0	6.25	0	0.00	N.A.	N.A.	0
(b)	NBFCs registered with RBI	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N.A.	N.A.	0
(c)	Employee Trusts	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N.A.	N.A.	0
(d)	Overseas Depositories (holding DRs) (balancing figure)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N.A.	N.A.	0
(e)	Any Other (specify)	1	300000	0	0	300000	6.25	300000	0	300000	6.25	0	6.25	0	0.00	N.A.	N.A.	0
	HUF	1	300000	0	0	300000	6.25	300000	0	300000	6.25	0	6.25	0	0.00	N.A.	N.A.	0
	Jignesh Babulal Shah HUF	-	300000	0	0	300000	6.25	300000	0	300000	6.25	0	6.25	0	0.00	N.A.	N.A.	0
	<b>Sub-Total (B)(3)</b>	<b>3</b>	<b>709600</b>	<b>0</b>	<b>0</b>	<b>709600</b>	<b>14.78</b>	<b>709600</b>	<b>0</b>	<b>709600</b>	<b>14.78</b>	<b>0</b>	<b>14.78</b>	<b>0</b>	<b>0.00</b>	<b>N.A.</b>	<b>N.A.</b>	<b>0</b>
	<b>Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)</b>	<b>3</b>	<b>709600</b>	<b>0</b>	<b>0</b>	<b>709600</b>	<b>14.78</b>	<b>709600</b>	<b>0</b>	<b>709600</b>	<b>14.78</b>	<b>0</b>	<b>14.78</b>	<b>0</b>	<b>0.00</b>	<b>N.A.</b>	<b>N.A.</b>	<b>0</b>
<b>Details of the shareholders acting as persons in Concert including their Shareholding (No. and %): - N.A</b>																		
<b>Details of Shares which remain unclaimed may be given hear along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc. - N.A.</b>																		
<b>Note:</b>																		
PAN of the Shareholders will be provided by our Company to the Stock Exchange but would not be displayed on website of Stock Exchange(s).																		

**(D). Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder**

Sr. No. (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) as a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form	
								Class eg: X	Class eg: y	Total			Total as a % of (A+B+C)	No. (a)	As a % of total shares held (b)	No. (a)		As a % of total shares held (b)
(1)	Custodian/DR Holder - Name of DR Holders (If Available)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	N.A.	N.A.	0		
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	N.A.	N.A.	0		
	<b>Total Non-Promoter- Non Public Shareholding (C)= (C)(1)+(C)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>N.A.</b>	<b>N.A.</b>	<b>0.00</b>	

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

13. The shareholding pattern of our Promoters and Promoters' Group and public before and after the Issue:

Sr. No.	Name of share holder	Pre issue		Post issue	
		No. of equity shares	As a % of Issued Capital*	No. of equity shares	As a % of Issued Capital*
<b>Promoters</b>					
1	Mr. Rakesh Vallabhnbhai Swadia	1642120	34.21	1642120	24.88
2	Mr. Devarshi Rakesh Swadia	1121240	23.36	1121240	16.99
<b>Total - A</b>		<b>2763360</b>	<b>57.57</b>	<b>2763360</b>	<b>41.87</b>
<b>Promoters' Group</b>					
3	Mrs. Nitaben Rakesh Swadia	788680	16.43	788680	11.95
4	Mrs. Manisha Devarshi Swadia	335960	7.00	335960	5.09
5	Rakesh V Swadia HUF	62000	1.29	62000	0.94
6	Devarshi Rakeshbhai Swadia HUF	48360	1.01	48360	0.73
7	Mrs. Shiljaben Nikul Patel	58020	1.21	58020	0.88
8	Master Ahalya Devarshi Swadia	28000	0.58	28000	0.42
9	Master Shrividya Devarshi Swadia	6000	0.13	6000	0.09
<b>Total - B</b>		<b>1327020</b>	<b>27.65</b>	<b>1327020</b>	<b>20.11</b>
<b>Total Promoters and Promoters' Group (A+B)</b>		<b>4090380</b>	<b>85.22</b>	<b>4090380</b>	<b>61.98</b>
<b>Public - Pre IPO</b>					
10	Mr. Raju Birendrabhai Mishra	109600	2.28	109600	1.66
11	Jignesh Babul Shah HUF	300000	6.25	300000	4.55
12	Mrs. Vaishali Jignesh Shah	300000	6.25	300000	4.55
<b>Total-C</b>		<b>709600</b>	<b>14.78</b>	<b>709600</b>	<b>10.75</b>
<b>Initial Public Offer - Public</b>		0	0	1800000	27.27
<b>Total-D</b>		<b>0</b>	<b>0</b>	<b>1800000</b>	<b>27.27</b>
<b>Total Public (C+D)</b>		<b>709600</b>	<b>14.78</b>	<b>2509600</b>	<b>38.02</b>
<b>Grand Total (A+B+C+D)</b>		<b>4799980</b>	<b>100.00</b>	<b>6599980</b>	<b>100.00</b>

\* Rounded off

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

Sr. No.	Name of Promoters	No. of Equity Shares held	Average Cost of Acquisition per equity share (in ₹)
1.	Mr. Rakesh Vallabhnbhai Swadia	1642120	6.82
2.	Mr. Devarshi Rakesh Swadia	1121240	7.10

The average cost of acquisition of Equity Shares by our Promoters has been calculated by taking into account the amount paid by them to acquire, by way of fresh issuance or transfer, the Equity Shares, including the issue of bonus shares to them less amount received by them for the sale of shares through transfer and the net cost of acquisition has been divided by total number of shares held as on date of this Draft Prospectus.

15. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, right issue or in any other manner during the period commencing from the date of this Draft Prospectus until the Equity Shares have been listed. Further, our Company may alter its capital structure by way of split / consolidation of the denomination of Equity Shares or issue of equity shares on a preferential basis or issue of bonus or rights or further public issue of equity shares or qualified institutions placement, within a period of six months from the date of opening of the present issue to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by the Board of Directors to be in the interest of our Company.

16. Except listed below, there are no transactions in our Equity Shares, which have been purchased/(Sold) by our Promoters or Directors, their relatives and associates, persons in promoters' group (as defined under sub-clause (zb) sub-regulation (1) of Regulation 2 of the SEBI (ICDR) Regulations, 2009) of the Company during the past six months immediately preceding the date of filing this Draft Prospectus;

Sr. No.	Date of Transfer	Name of Transferor	Category of Transferor	Name of Transferee	Category of Transferee	No. of Shares	Amount per share (in ₹)
1.	May 15, 2018	Mrs. Nitaben Rakeshbhai Swadia	Promoters' Group	Mr. Devarshi Rakeshbhai Swadia	Promoter	10000	10.00
2.	May 15, 2018	Rakesh V Swadia HUF	Promoters' Group	Mr. Devarshi Rakeshbhai Swadia	Promoter	41500	10.00

17. The members of the Promoters' Group, our Directors or the relatives of our Directors have not financed the purchase by any other person of securities of our Company, other than in the normal course of the business of the financing entity, during the six months preceding the date of filing of this Draft Prospectus.
18. Our Company, our Promoters, our Directors and the Lead Manager to this Issue have not entered into any buy-back, standby or similar arrangements with any person for purchase of our Equity Shares issued by our Company through the Draft Prospectus.
19. There are no safety net arrangements for this public issue.
20. As on the date of filing of this Draft Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other financial instruments into our Equity Shares.
21. All the Equity Shares of our Company are fully paid up as on the date of this Draft Prospectus. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be issued fully paid-up equity shares.
22. As per RBI regulations, OCBs are not allowed to participate in this Issue.

**23. Equity Shares held by top ten shareholders:**

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

Sr. No.	Name of shareholder	No of shares held	% of paid up capital*
1.	Mr. Rakesh Vallabhbbhai Swadia	1642120	34.21
2.	Mr. Devarshi Rakesh Swadia	1121240	23.36
3.	Mrs. Nitaben Rakesh Swadia	788680	16.43
4.	Mrs. Manisha Devarshi Swadia	335960	7.00
5.	Jignesh Babulal Shah HUF	300000	6.25
6.	Mrs. Vaishali Jignesh Shah	300000	6.25
7.	Mr. Raju Birendrabhai Mishra	109600	2.28
8.	Rakesh V Swadia HUF	62000	1.29
9.	Mrs. Shiljaben Nikul Patel	58020	1.21
10.	Devarshi Rakeshbhai Swadia HUF	48360	1.01
<b>Total</b>		<b>4765980</b>	<b>99.29</b>

\* Rounded off

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

Sr. No.	Name of shareholder	No of shares held	% of paid up capital*
1.	Mr. Rakesh Vallabhbbhai Swadia	1642120	34.21
2.	Mr. Devarshi Rakesh Swadia	1121240	23.36
3.	Mrs. Nitaben Rakesh Swadia	788680	16.43
4.	Mrs. Manisha Devarshi Swadia	335960	7.00
5.	Jignesh Babulal Shah HUF	300000	6.25
6.	Mrs. Vaishali Jignesh Shah	300000	6.25
7.	Mr. Raju Birendrabhai Mishra	109600	2.28
8.	Rakesh V Swadia HUF	62000	1.29
9.	Mrs. Shiljaben Nikul Patel	58020	1.21

Sr. No.	Name of shareholder	No of shares held	% of paid up capital*
10.	Devarshi Rakeshbhai Swadia HUF	48360	1.01
<b>Total</b>		<b>4765980</b>	<b>99.29</b>

\* Rounded off

**c) Particulars of the top ten shareholders two years prior to the date of this Draft Prospectus:**

Sr. No.	Name of shareholder	No of shares held	% of the then existing paid up capital*
1.	Mr. Rakesh Vallabhbbhai Swadia	230530	41.91
2.	Mrs. Nitaben Rakesh Swadia	117170	21.30
3.	Mr. Devarshi Rakesh Swadia	93810	17.06
4.	Rakesh V Swadia HUF	42000	7.64
5.	Mrs. Manisha Devarshi Swadia	33990	6.18
6.	Mr. Raju Birendrabhai Mishra	27400	4.98
7.	Devarshi Rakeshbhai Swadia HUF	4090	0.74
8.	Mrs. Shiljaben Nikul Patel	1005	0.18
<b>Total</b>		<b>549995</b>	<b>100.00</b>

\* Rounded off

24. Our Company has not raised any bridge loan against the proceeds of this Issue. However, depending on business requirements, we might consider raising bridge financing facilities, pending receipt of the Net Proceeds.
25. There are no Equity Shares against which depository receipts have been issued.
26. As on date of this Draft Prospectus, other than the Equity Shares, there are is no other class of securities issued by our Company.
27. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
28. The Issue is being made through the Fixed Price Process and allocation would under regulation 43(4) wherein;
- minimum fifty per cent shall be allotted to retail individual investors; and
  - remaining to Individual applicants other than retail individual investors and other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
  - the unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.
- If the retail individual investor category is entitled to more than fifty per cent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage. For details, see chapter titled "Issue Procedure" beginning on page no. 202 of this Draft Prospectus.
29. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the LM and Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines.
30. An Applicant cannot make an application for more than the number of Equity Shares being issued through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
31. No payment, direct or indirect in the nature of discount, commission, allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Issue.
32. We have 12 (Twelve) shareholders as on the date of filing of this Draft Prospectus.
33. Our Promoters and the members of our Promoters' Group will not participate in this Issue.
34. Our Company has not made any public issue or right issue since its incorporation.

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

The associates of the Lead Manager, if any, may subscribe the Equity Shares in the Offer, either in the Net QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

- 36.** Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoters' Group between the date of filing the Draft Prospectus and the Issue Closing Date shall be reported to the Stock Exchanges within twenty-four hours of such transaction.
- 37.** Except Mr. Rakesh Vallabhbai Swadia, Chairman Cum Managing Director who holds 1642120 Equity Shares, Mr. Devarshi Rakesh Swadia, Whole-Time Director who holds 1121240 Equity Shares and Mrs. Nitaben Rakesh Swadia, Non-Executive Director who holds 788680 equity Shares; none of our other Directors or Key Managerial Personnel holds Equity Shares in our Company.



## SECTION IV – PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

#### REQUIREMENTS OF FUNDS

The proceeds of the Issue, after deducting Issue related expenses, are estimated to be ₹ 412 Lakhs (the “Net Proceeds”).

We intend to utilize the Net Proceeds towards the following objects (Collectively, herein referred to as the “Objects”):

1. Net Incremental Working Capital Requirement
2. General corporate Purpose

The main objects clause of our Memorandum of Association and the objects incidental and ancillary to the main objects enables us to undertake the activities for which funds are being raised in the Issue. The existing activities of our company are within the objects clause of our Memorandum of Association.

Also, we believe that the listing of Equity Shares will enhance our Company’s corporate image, brand name and create a public market for our Equity Shares in India.

#### ISSUE PROCEEDS

The details of proceeds of the Issue are set out in the following table:

Particulars	Estimated Amount (₹ in Lakhs)
Gross Proceeds from the Issue	450.00
Less: Issue Related Expenses	38.00
<b>Net Proceeds</b>	<b>412.00</b>

#### UTILIZATION OF NET PROCEEDS

The Net proceeds are proposed to be used in the manner set out in the following table:

Particulars	Estimated Amount (₹ in Lakhs)
Net Incremental Working Capital Requirement	312.00
General corporate Purpose	100.00
<b>Net Proceeds</b>	<b>412.00</b>

We propose to meet the requirement of funds for the stated objects of the Issue from the IPO Proceeds. Hence, no amount is required to be raised through means other than the Issue Proceeds. Accordingly, the requirements under Regulation 4 (2) (g) of the SEBI ICDR Regulations and Clause VII C of Part A of Schedule VIII of the SEBI ICDR Regulations (which requires firm arrangements of finance through verifiable means for 75% of the stated means of finance, excluding the Issue Proceeds and existing identifiable internal accruals) are not applicable.

Our fund requirements and deployment thereof are based on the estimates of our management. These are based on current circumstances of our business and are subject to change in light of changes in external circumstances or costs, or in our financial condition and business or strategy. Our management, in response to the dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirement and deployment of funds may also change. This may also include rescheduling the proposed utilization of Proceeds and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Proceeds.

#### SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF FUNDS

We propose to deploy the Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

Sr. No.	Particulars	Amount to be funded from the Net Proceeds (₹ in Lakhs)	Estimated Utilization of Net Proceeds (₹ in Lakhs) (Financial year 2018-19)*
1.	Net Incremental Working Capital Requirement	312.00	312.00
2.	General corporate Purpose	100.00	100.00

\* To the extent our Company is unable to utilize any portion of the Net Proceeds towards the Objects, as per the estimated schedule of deployment specified above, our Company shall deploy the Net Proceeds in the subsequent Financial Years towards the Objects.

## DETAILS OF THE OBJECT

The details of the objects of the Issue are set out below.

### 1. Net Incremental Working Capital Requirement:

The Company is providing service of installation, designing, supply, testing and commission of fire protection systems/instruments and detections systems. As on March 31, 2018, Net Working Capital requirement of our Company ₹ 1235.16 Lakhs as against that of ₹ 959.04 lakhs as on March 31, 2017. The Net Working capital requirement for the financial year 2018-19 is estimated to be ₹ 1873.90 Lakhs.

As on the date of this Draft Prospectus, we meet our working capital requirements in the ordinary course of business from short and long term loans, unsecured loans from Directors and relatives, capital/internal accruals etc.

Basis of estimation of working capital requirement and estimated working capital requirement:

(₹ in Lakhs)

Particulars	March 31, 2017	March 31, 2018	March 31, 2019
<b>Inventories</b>			
Stock In Trade/Finished Goods	804.05	1,206.75	1448.48
Work in Progress	0	0	0
Trade receivables	887.49	519.35	1027.40
Cash and cash equivalents	66.26	101.18	110
Short-term loans and advances	80.77	127.79	130.00
Other Current Assets	26.99	44.06	50.00
<b>Total Current Assets (A)</b>	<b>1,865.56</b>	<b>1,999.14</b>	<b>2,765.88</b>
Trade payables	545.48	520.35	585.62
Other current liabilities	288.79	224.21	285.00
Short-term provisions	72.25	19.43	21.36
<b>Total Current Liabilities (B)</b>	<b>906.52</b>	<b>763.99</b>	<b>891.98</b>
<b>Net Working Capital (A-B)</b>	<b>959.04</b>	<b>1,235.16</b>	<b>1,873.90</b>
<b>Funding Pattern</b>			
<b>Short and Long Term Borrowing</b>	808.61	917.31	617.88
<b>Borrowing from Directors and Relatives</b>	150.43	288.02	464.02
<b>Existing Equity Capital</b>	-	29.83	480.00*
<b>Balance from Net IPO Proceeds</b>			312.00

\*Existing Equity Capital is up to May 18, 2018.

### Assumptions for working capital requirements

Particulars	No. of Days outstanding or holding level for the			Justification for Holding
	F.Y. 2016-17	F.Y. 2017-18	F.Y. 2018-19 (Estimated)	
Trade Receivables	184	107	150	Estimate for 2018-19 is on the basis of past two years outstanding Debtors.
Trade Payables	117	100	95	Estimate for 2018-19 is on the basis of past two year's credit given by the suppliers. However the Company will improve the profitability by getting better discount on purchase by reducing the ailment of credit period from 100 days to 95 days.
Finished Goods Holding Period	172	230	235	Estimate for 2018-19 is on the basis of past two years Finished goods holding period.

## 2. General Corporate Purpose

The Net Proceeds will be first utilized towards the Objects as mentioned as mentioned above. The balance is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the Net Proceeds, in compliance with the SEBI ICDR Regulations. Our Company intends to deploy the balance Net Proceeds, if any, for general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

1. Strategic initiatives;
2. On-going general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.

The quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head “General Corporate Purposes” and the business requirements of our Company, from time to time. We, in accordance with the policies of our Board, will have flexibility in utilizing the Net Proceeds for general corporate purposes, as mentioned above.

### ISSUE RELATED EXPENSES

The total expenses of the Issue are estimated to be approximately ₹38.00 lakhs. The expenses of this include, among others, underwriting and management fees, printing and distribution expenses, advertisement expenses, legal fees and listing fees. The estimated Issue expenses are as follows:

Expenses	Expenses (₹ in Lakhs)	Expenses (% of total Issue expenses)	Expenses (% of Gross Issue Proceeds)
Payment to Merchant Banker	24.00	63.16	5.33
Regulatory Fees, printing, advertising, and payment to other intermediaries such as Registrars, Bankers etc	10.00	26.32	2.22
Market Making and Other Expenses	4.00	10.53	0.89
<b>Total Estimated Issue Expenses</b>	<b>38.00</b>	<b>100.00</b>	<b>8.44</b>

#### Note:

1. Up to July 25, 2018, Our Company has deployed/incurred expense of ₹1.66 Lakhs towards Issue Expenses out of internal accruals duly certified by Statutory Auditor M/s. Philip Fernandes & Co. Chartered Accountants vide its certificate dated July 26, 2018.
2. Any expenses incurred towards aforesaid issue related expenses during the period from July 26, 2018 to till the date of listing of Equity Shares will be reimburse/recouped out of the gross proceeds of the issue.
3. The brokerage and selling commission payable to SCSBs for the ASBA Application Forms procured by them would be at par as payable to brokers for the Application forms procured by them. SCSBs will be entitled to a processing fee of ₹10/- per Application Form for processing of the Application Forms procured by other Application Collecting Intermediary and submitted to them on successful allotment. Selling commission payable to Registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Applicants and Non Institutional Applicants, would be 0.05% on the Amount Allotted (Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price). The commissions and processing fees shall be payable within 30 working days post the date of receipt of final invoices of the respective intermediaries.

### APPRAISAL REPORT

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

### BRIDGE FINANCING

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

### INTERIM USE OF FUNDS

Pending utilization of the Issue Proceeds for the Objects of the Issue described above, our Company shall deposit the funds only in Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilization of the proceeds of the Issue as described above, it shall not use the funds from the Issue Proceeds for any investment in equity and/or real estate products and/or equity linked and/or real estate linked products.

#### **MONITORING UTILIZATION OF FUNDS**

There is no requirement for the appointment of a monitoring agency, as the Issue size is less than ₹ 10,000 Lakhs. Our Board will monitor the utilization of the proceeds of the Issue and will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilized Net Proceeds in the balance sheet of our Company for the relevant Fiscal subsequent to receipt of listing and trading approvals from the Stock Exchanges.

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

#### **VARIATION IN OBJECTS**

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the "Postal Ballot Notice") shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

#### **OTHER CONFIRMATIONS**

No part of the proceeds of the Issue will be paid by us to the Promoters and Promoter Group, the Directors, Associates, Key Management Personnel or Group Companies except in the normal course of business and in compliance with the applicable law.

## BASIS FOR ISSUE PRICE

The Issue Price is determined by our Company in consultation with the Lead Manager. The financial data presented in this section are based on our Company's Restated Financial Statements. Investors should also refer to the sections titled "Risk Factors" and "Auditors Report and Financial Information of Our Company" on page no. 9 and 133, respectively of this Draft Prospectus to get a more informed view before making the investment decision.

### QUALITATIVE FACTORS

- Vast Experience of more than two Decades
- Long term Relationship with the Clients
- Capturing the growth potential and government focus on sector
- Timely completion of projects

For details of qualitative factors, please refer to the paragraph "Our Competitive Strengths" in the chapter titled "Business Overview" beginning on page no. 73 of this Draft Prospectus.

### QUANTITATIVE FACTORS

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

$$\text{Basic earnings per share (₹)} = \frac{\text{Restated Profit After Tax attributable to Equity Shareholders}}{\text{Weighted Average Number of Equity Shares outstanding during the year}}$$

$$\text{Diluted earnings per share (₹)} = \frac{\text{Restated Profit After Tax attributable to Equity Shareholders}}{\text{Weighted Average Number of Diluted Potential Equity Shares outstanding during the year}}$$

Financial Year/Period	Basic and Diluted EPS (in ₹) ( Pre Bonus)#	Basic and Diluted EPS (in ₹) ( Post Bonus)#^	Weights
Financial Year ended March 31, 2016	2.92	0.39	1
Financial Year ended March 31, 2017	9.26	1.23	2
Financial Year ended March 31, 2018	16.60	2.20	3
<b>Weighted Average</b>	<b>11.87</b>	<b>1.58</b>	

# Face Value of Equity Share is ₹ 10.

**Note:**

^ Our Company has made allotment of 3599985 Bonus equity shares in the ratio of 3:1 (3 equity shares for every 1 equity share), to our Shareholders on May 18, 2018 capitalizing credit balance of Securities and Premium Account to the extent of ₹ 2,52,50,017.50/- and credit balance of Surplus Account to the extent of ₹ 1,07,49,832.50/-.

#### 2. Price to Earnings (P/E) ratio in relation to Issue Price of ₹ 25:

Particulars	EPS (in ₹)	P/E at the Issue Price (₹ 25)
<b>Pre Bonus</b>		
Based on EPS of Financial Year ended March 31, 2018	16.60	1.51
Based on Weighted Average EPS	11.87	2.11
<b>Post Bonus</b>		
Based on EPS of Financial Year ended March 31, 2018	2.20	11.36
Based on Weighted Average EPS	1.58	15.87

#### 3. Return on Net Worth:

$$\text{Return on Net Worth (\%)} = \frac{\text{Restated Profit After Tax attributable to Equity Shareholders}}{\text{Net Worth}} * 100$$

Financial Year/Period	Return on Net Worth (%)	Weights
Financial Year ended March 31, 2016	13.81	1
Financial Year ended March 31, 2017	30.44	2
Financial Year ended March 31, 2018	35.30	3
<b>Weighted Average</b>	<b>30.10</b>	

**4. Minimum Return on Increased Net Worth required to maintain pre-issue Earnings Per Share:**

Period	Particulars	Post Bonus Issue
As at March 31, 2018	Earnings per Share	2.20
	Minimum Return on Increased Net Worth	14.32
Weighted Average	Earnings per Share	1.58
	Minimum Return on Increased Net Worth	10.25

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

$$\text{Restated Net Asset Value per equity share (₹)} = \frac{\text{Restated Net Worth as at the end of the year}}{\text{Total Number of Equity Shares outstanding during the year}}$$

Particular	Amount (in ₹) (Pre Bonus)	Amount (in ₹) (Post Bonus)
As at March 31, 2018	47.03	6.23
NAV per Equity Share after the Issue	-	15.37
Issue Price per Equity Share	-	25.00

**6. Comparison of Accounting Ratios with Peer Group Companies:**

Name of the company	Standalone/ Consolidated	Face Value (₹)	Current Market Price (₹) <sup>@</sup>	EPS (₹) Basic	P/E Ratio	RoNW (%)	NAV per Equity Share (₹)	Revenue from operations (₹ in Lakhs)
Ranjeet Mechatronics Limited*								
As at March 31, 2018	Standalone	10	25.00	2.20	11.36	35.30	6.23	1778.19
<b>Peer Group</b>								
Nitin Fire Protection Industries Limited ^	Standalone	2	2.80	Negative	Negative	Negative	Negative	5523.48

\* The EPS, P/E Ratio and NAV are taken after considering the Bonus Issue of 3599985 Equity Shares made by the Company on May 18, 2018.

@ Current Market Price (CMP) is taken as the closing price of respective scripts as on July 24, 2018 at BSE Limited. For our Company, we have taken the issue price of equity share.

^ The Figures as at March 31, 2018 and are taken from the Audited Financial Result filed with BSE Limited.

**7. The face value of Equity Shares of our Company is ₹ 10/- per Equity Share and the Issue price is 2.5 times the face value of equity share.**

The Issue Price of ₹ 25/- is determined by our Company in consultation with the Lead Manager is justified based on the above accounting ratios. For further details, please refer to the section titled "Risk Factors" and chapters titled "Business Overview" and "Auditors Report and Financial Information of our Company" beginning on page nos. 9, 73 and 133 respectively of this Draft Prospectus.

## STATEMENT OF POSSIBLE TAX BENEFITS

To,  
The Board of Directors,  
**Ranjeet Mechatronics Limited**  
Block A, 407-4th Floor, Dev Aurum, Anand Nagar Cross Road,  
Prahladnagar Road, Ahmedabad - 380015

Dear Sir,

**Sub: Statement of possible tax benefits (“the statement”) available to Ranjeet Mechatronics Limited (“the company”) and its shareholder prepared in accordance with the requirement in Schedule VIII- Clause (VII) (L) of the Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulation 2009, as amended (“the regulations”)**

**Ref.: Initial Public Offer of Equity Shares by Ranjeet Mechatronics Limited**

We hereby report that the enclosed annexure, prepared by the Management of the Company, states the possible special tax benefits available to the Company and the shareholders of the Company under the Income - Tax Act, 1961 (‘Act’) as amended by the Finance Act, 2018 (i.e. applicable to Financial Year 2018-19 relevant to Assessment Year 2019-20), presently in force in India. These benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the Act. Hence, the ability of the Company or its shareholders to derive the special tax benefits, if any, is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not choose to fulfill.

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

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

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

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

No assurance is given that the revenue authorities/ Courts will concur with the view expressed herein. Our views are based on existing provisions of law and its implementation, which are subject to change from time to time. We do not assume any responsibility to update the views consequent to such changes.

We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We are not liable to any other person in respect of this statement.

This certificate is provided solely for the purpose of assisting the addressee Company in discharging its responsibility under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 for inclusion in the Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus in connection with the proposed issue of equity shares and is not to be used, referred to or distributed for any other purpose without our written consent.

For, **Philip Fernandes & Co.**  
**Chartered Accountants**

**Philip Fernandes**  
**Proprietor**  
**Membership Number: 125960**

**Date:** June 12, 2018  
**Place:** Ahmedabad



## **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**

The Company is not entitled to any special tax benefits under the Act

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

The Shareholders of the Company are not entitled to any special tax benefits under the Act

#### **Note:**

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

We hereby give our consent to include our above referred opinion regarding the tax benefits available to the Company and to its shareholders in the offer document.

## SECTION V – ABOUT US

### INDUSTRY OVERVIEW

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

### GLOBAL ECONOMIC OUTLOOK

Global growth has eased but remains robust and is projected to reach 3.1 percent in 2018. It is expected to edge down over the next two years as global slack dissipates, trade and investment moderate, and financing conditions tighten. Growth in advanced economies is forecast to decelerate toward potential rates as monetary policy is normalized and the effects of U.S. fiscal stimulus wane. In emerging market and developing economies (EMDEs), growth in commodity importers will remain strong, while the rebound in commodity exporters is projected to mature over the next two years. For the first time since 2010, the long-term (10-year-ahead) consensus forecast for global growth appears to have stabilized. Although this development could signal that the legacies of the global financial crisis are fading, past experience cautions that long-term forecasts are often overly optimistic. While well below levels expected a decade ago, these forecasts also remain above potential growth estimates. Moreover, risks to the outlook are tilted to the downside. They include disorderly financial market movements, escalating trade protectionism, and heightened geopolitical tensions. EMDE policymakers should rebuild monetary and fiscal policy buffers and be prepared for rising global interest rates and possible episodes of financial market turbulence. In the longer run, adverse structural forces continue to overshadow long-term growth prospects implying that EMDEs need to boost potential growth by promoting competitiveness, adaptability to technological change, and trade openness. These steps will help mitigate an expected growth slowdown over the next decade, especially if long term growth forecasts fall once again short of expectations.

A cyclical recovery is underway in most EMDE regions that host a substantial number of commodity exporters. Over the next two years, the upturn in these regions is expected to mature, as commodity prices plateau. Robust economic activity in EMDE regions with large numbers of commodity importers is forecast to continue. However, risks to the growth outlook continue to tilt to the downside in many regions.

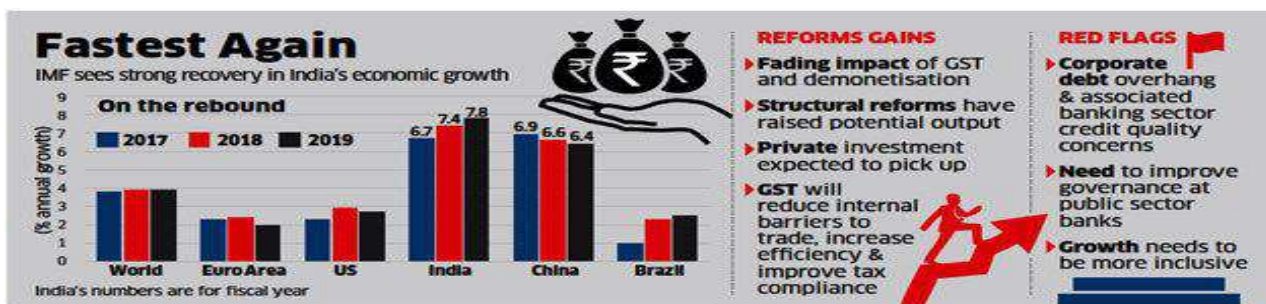
Rapid Growth among the major emerging markets over the past 20 years has boosted global demand for commodities. The seven largest emerging markets (EM7) accounted for almost all of the increase in global consumption of metals and two-thirds of the increase in energy consumption over this period. As these economies mature and shift towards less commodity-intensive activities, their demand for most commodities may level off. While global energy consumption growth may remain broadly steady, global metals and foods demand growth could slow by one-third over the next decade. This would dampen global commodity prices. For emerging market and developing economies that depend on raw materials for government and export revenues, these prospects reinforce the need for economic diversification and the strengthening of policy frameworks.

Average corporate debt in emerging market and developing economies has increased over the past decade, raising concerns about their financial stability and growth prospects. Debt service costs of EMDE firms are expected to rise as advanced economies normalize monetary policy, and debt is increasingly held by firms with riskier balance sheets. Elevated debt may be associated with weak investment growth, especially in large firms. Countercyclical and macro prudential policies can address financial stability concerns that are raised by these trends. Structural policies, including the strengthening of bankruptcy regimes, are appropriate tools to address the investment implications of sizeable corporate debt.

*(Source: <http://www.worldbank.org/en/publication/global-economic-prospects>)*

### INDIAN ECONOMY GROWTH

India's economic growth will accelerate in the current and next fiscal years as per International Monetary Fund (IMF), consolidating the country's position as the world's fastest-growing major economy. India's economy is forecast to grow 7.4% in the current fiscal from 6.7% in FY18 and accelerate further in FY20 to 7.8%. There will be a gradual increase in India's growth rate as structural reforms raise potential output. "Growth in India is projected to increase from 6.7% in 2017 to 7.4% in 2018 and 7.8% in 2019 (unchanged from the October WEO), lifted by strong private consumption as well as fading transitory effects of the currency exchange initiative and implementation of the national goods and services tax," the IMF said in the report. "Over the medium term, growth is expected to gradually rise with continued implementation of structural reforms that raise productivity and incentivise private investment."



(Source: -<https://economictimes.indiatimes.com/news/economy/indicators/india-to-grow-at-7-4-per-cent-in-2018-imf/articleshow/63801741.cms>)

## KEY DEMOGRAPHIC ASPECTS

India is the second most populous country in the world and is expected to see its population grow at the rate of 1.14% over the next five years. The urban population as a percentage of India's total population is estimated to increase from the current 32.8%, in 2017 to 35% by 2020, thereby increasing the number of people that access premium facilities. The middle class population in India has doubled from 300 million to 600 million between 2004 and 2012, according to World Economic Forum, and is likely to overtake that of US and China by 2027. India's urban population has increased from 27.8% of total population (per census 2001) to 31.2% of the total population (per Census 2011). Estimates by PwC indicate that by 2020, the average age of an Indian will be 29 years, compared with average age of 37 and 48 years, respectively, for China and Japan. This young population will help constitute a large working population, with an estimated 64% of India's population to be in the working age population by the fiscal year 2021 (Source: Union budget and economic survey 2013). The high economic growth and increasing opportunities in the cities have led to urbanization. The rate of urbanization during 2017 over 2016 was recorded at 2.5%.

## OVERVIEW: SERVICE SECTOR

The services sector is not only the dominant sector in India's GDP, but has also attracted significant foreign investment flows, contributed significantly to exports as well as provided large-scale employment. India's services sector covers a wide variety of activities such as trade, hotel and restaurants, transport, storage and communication, financing, insurance, real estate, business services, community, social and personal services, and services associated with construction.

## MARKET SIZE: SERVICE SECTOR

The services sector is the key driver of India's economic growth. The sector is estimated to contribute around 54.0 per cent of India's Gross Value Added in 2017-18 and employed 28.6 per cent of the total population. Net Services exports from India grew 14.98 per cent year-on-year to US\$ 77,562.89 million in 2017-18P. As per Ministry of Statistics and Programme Implementation's second advance estimates of National Income 2017-18, services sector GVA is expected to grow to US\$ 1,266.10 million in FY18.

## GOVERNMENT INITIATIVES

The Government of India recognises the importance of promoting growth in services sectors and provides several incentives in wide variety of sectors such as health care, tourism, education, engineering, communications, transportation, information technology, banking, finance, management, among others.

Prime Minister Narendra Modi has stated that India's priority will be to work towards trade facilitation agreement (TFA) for services, which is expected to help in the smooth movement of professionals.

The Government of India has adopted a few initiatives in the recent past. Some of these are as follows:

- Under the Mid-Term Review of Foreign Trade Policy (2015-20), the Central Government increased incentives provided under Services Exports from India Scheme (SEIS) by two per cent.
- Government of India is working to remove many trade barriers to services and tabled a draft legal text on Trade Facilitation in Services to the WTO in 2017.

## ROAD AHEAD

Services sector growth is governed by both domestic and global factors. The Indian facilities management market is expected to grow at 17 per cent CAGR between 2015 and 2020 and surpass the US\$19 billion mark supported by booming real estate, retail, and hospitality sectors. The implementation of the Goods and Services Tax (GST) has created a common

national market and reduced the overall tax burden on goods. It is expected to reduce costs in the long run on account of availability of GST input credit, which will result in the reduction in prices of services.

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

## INDIA FIRE AND SAFETY EQUIPMENT MARKET FORECAST AND OPPORTUNITIES

Over the last decade, India has witnessed a substantial increase in terms of awareness about fire safety and security. The rapidly expanding IT and retail markets across the country have significantly contributed towards the growth of the fire & safety equipment sector, and this trend is likely to continue over the coming years. As large refineries, petrochemical complexes, biotechnology ventures, pharmaceutical, automobile, steel, oil & gas exploration projects need to comply with various mandatory safety regulation, these segments has been contributing hugely to the growth of the country's fire & safety market. However, the market potential is still largely untapped due to lack of awareness, stringent regulations and a common perception of fire safety equipment being perceived as an unproductive outlay. A separate fire safety act for each state is yet to come into effect, due to which ground level monitoring is still not rigorous.



According to “India Fire & Safety Equipment Market Forecast & Opportunities, 2019”, the fire & safety equipment market in India is expected to grow immensely over the coming years. The market revenues of India's fire & safety equipment market are expected to reach USD 4.94 billion by the end of 2019. The market is being driven largely by the small players with restricted regional presence and involved in offering comparable products at lower prices compared to major organized players. The market is set to experience radical growth over the coming years as a result of increasing customer awareness regarding fire safety, security and asset management coupled with implementation of strict state level norms on fire safety. “India Fire & Safety Equipment Market Forecast & Opportunities, 2019” discusses the following aspects related to fire & safety equipment market in India:

- Fire & Safety Equipment Market Size, Share & Forecast
- Segmental Analysis - Fire Fighting Equipment, Fire Detection Equipment and Fire Protection Equipment Market
- Changing Market Trends & Emerging Opportunities
- Pricing Analysis and Policy & Regulatory Landscape
- Competitive Landscape and Strategic Recommendations

(Source: <https://www.techsciresearch.com/report/india-fire-and-safety-equipment-market-forecast-and-opportunities-2019/530.html>)

## INFRASTRUCTURE SECTOR IN INDIA

Infrastructure sector is a key driver for the Indian economy. The sector is highly responsible for propelling India's overall development and enjoys intense focus from Government for initiating policies that would ensure time-bound creation of world class infrastructure in the country. Infrastructure sector includes power, bridges, dams, roads and urban infrastructure development. In 2016, India jumped 19 places in World Bank's Logistics Performance Index (LPI) 2016, to rank 35th amongst 160 countries.

## MARKET SIZE

Foreign Direct Investment (FDI) received in Construction Development sector (townships, housing, built up infrastructure and construction development projects) from April 2000 to December 2017 stood at US\$ 24.67 billion, according to the Department of Industrial Policy and Promotion (DIPP). The logistics sector in India is expected to increase at a Compound Annual Growth Rate (CAGR) of 10.5 per cent, from US\$ 160 billion in 2017 to US\$ 215 billion by 2020.

## INVESTMENTS

India has a requirement of investment worth ₹ 50 trillion (US\$ 777.73 billion) in infrastructure by 2022 to have

sustainable development in the country. India is witnessing significant interest from international investors in the infrastructure space. Some key investments in the sector are listed below.

- In June 2018, the Asian Infrastructure Investment Bank (AIIB) has announced US\$ 200 million investment into the National Investment & Infrastructure Fund (NIIF).
- Private equity and venture capital (PE/VC) investments in the infrastructure sector reached US\$ 3.3 billion with 25 deals during January-May 2018.
- Indian infrastructure sector witnessed 91 M&A deals worth US\$ 5.4 billion in 2017
- In February 2018, the Government of India signed a loan agreement worth US\$ 345 million with the New Development Bank (NDB) for the Rajasthan Water Sector Restructuring Project for desert areas.
- In January 2018, the National Investment and Infrastructure Fund (NIIF) partnered with UAE-based DP World to create a platform that will mobilise investments worth US\$ 3 billion into ports, terminals, transportation, and logistics businesses in India.

## GOVERNMENT INITIATIVES

The Government of India is expected to invest highly in the infrastructure sector, mainly highways, renewable energy and urban transport, prior to the general elections in 2019.

The Government of India is taking every possible initiative to boost the infrastructure sector. Some of the steps taken in the recent past are being discussed hereafter.

Announcements in Union Budget 2018-19:

- Massive push to the infrastructure sector by allocating ₹ 5.97 lakh crore (US\$ 92.22 billion) for the sector.
- Railways received the highest ever budgetary allocation of ₹ 1.48 trillion (US\$ 22.86 billion).
- ₹ 16,000 crore (US\$2.47 billion) towards Sahaj Bijli Har Ghar Yojana (Saubhagya) scheme. The scheme aims to achieve universal household electrification in the country.
- ₹ 4,200 crore (US\$ 648.75 billion) to increase capacity of Green Energy Corridor Project along with other wind and solar power projects.
- Allocation of ₹ 10,000 crore (US\$ 1.55 billion) to boost telecom infrastructure.
- A new committee to lay down standards for metro rail systems was approved in June 2018.
- ₹ 2.05 lakh crore (US\$ 31.81 billion) will be invested in the smart cities mission. All 100 cities have been selected as of June 2018.
- Contracts awarded under the Smart Cities Mission would show results by June 2018 as the work is already in full swing, according to Mr Hardeep Singh Puri, Minister of State (Independent Charge) for Housing and Urban Affairs, Government of India.
- The Government of India is working to ensure a good living habitat for the poor in the country and has launched new flagship urban missions like the Pradhan Mantri Awas Yojana (Urban), Atal Mission for Rejuvenation and Urban Transformation (AMRUT), and Swachh Bharat Mission (Urban) under the urban habitat model, according to Mr Hardeep Singh Puri, Minister of State (Independent Charge) for Housing.

## ROAD AHEAD

India's national highway network is expected to cover 50,000 kilometres by 2019, with around 20,000 km of works scheduled for completion in the next couple of years, according to the Ministry of Road Transport and Highways. The Government of India is devising a plan to provide wifi facility to 550,000 villages by March 2019 for an estimated cost of ₹ 3,700 crore (US\$ 577.88 million), as per the Department of Telecommunications, Government of India. India and Japan have joined hands for infrastructure development in India's north-eastern states and are also setting up an India-Japan Coordination Forum for Development of North East to undertake strategic infrastructure projects in the northeast. Exchange Rate Used: INR 1 = US\$ 0.0155 as of March 30, 2018.

(Source: <https://www.ibef.org/industry/infrastructure-sector-india.aspx>)



## BUSINESS OVERVIEW

*The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in the Draft Prospectus, including the information contained in the section titled “Risk Factors” on page no. 9 of this Draft Prospectus. In this chapter, unless the context requires otherwise, any reference to the terms “We”, “Us”, “Ranjeet” and “Our” refers to Our Company. Unless stated otherwise, the financial data in this section is as per our restated financial statements / financial statement prepared in accordance with Indian Accounting Policies set forth in the Draft Prospectus.*

Our Company was originally incorporated as “Ranjeet Electric Private Limited” at Ahmedabad on June 10, 1993, under the provisions of the Companies Act, 1956 vide certificate of incorporation issued by the Assistant Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Later on, the name of our company was changed from “Ranjeet Electric Private Limited” to “Ranjeet Mechatronics Private Limited” and certificate to that effect was issued by Deputy Registrar of Companies, Registrar of Companies, Ahmedabad on February 3, 2016. Subsequently, consequent upon the conversion of our company from Private Company to Public Company, the name of our company was changed to “Ranjeet Mechatronics Limited” and fresh Certificate of Incorporation dated May 28, 2018 was issued by the Deputy Registrar of Companies, Registrar of Companies, Ahmedabad.

### COMPANY'S BACKGROUND

In the year 1949, Late Shree Vallabhbhai B. Swadia, father of one of our Promoter Mr. Rakesh V. Swadia, established a firm called M/s. Ranjeet Electric and Engineering Corporation. The firm was established post independence as authorised distributors of companies engaged in the irrigation system. The firm was basically authorized dealer of electric motor pumps and related spares. Mr. Rakesh Swadia joined the business of his father at an early age and started understanding the business gimmicks.

Later on, the firm tied up with Kirloskar Brothers Limited and became the authorized dealer of various electric products especially electric motors pump sets and spares and also tied up with Kirloskar Oil Engines Limited.

In the year 1993, to give a corporate shape to the firm, Late Vallabhbhai Swadia along with his wife, Late Mrs. Shantaben Vallabhbhai Swadia and Mr. Indukant V. Swadia incorporated our company - Ranjeet Electric Private Limited (“REPL”) at Ahmedabad. The company was incorporated with the main object to carry on the business of electrical and electrical mechanical engineers and sell supply, establish, fix and carry out and deal in industrial pumps, diesel engines, electrical motors and equipments etc.

Initially, we have obtained distributorship of agricultural engines, Industrial engines and marine engines from Kirloskar in the name of REPL. We were selling wide range of Domestic and Agriculture pumps, Industrial pumps, Customized and Engineered pumps, Motors, Alternators, Diesel engines which includes Domestic monoblock pumps, Borewell submersible pumps, Open well submersible pumps, End suction Bareshaft pumps, Horizontal multistage pumps, Vertical multistage pumps, Marine diesel engines, diesel generators sets etc. Our company continuously progressed by officially marketing the said products in the rural, urban as well as various industrial sectors of Gujarat.

In the year 2006-07, our company was awarded by Kirloskar Brother Limited for achieving 2<sup>nd</sup> highest sales turnover in Ahmedabad Region. In the year 2009, as per government rules and regulations in high rise buildings, malls and industries fire pumps and fire engines were mandatory to be installed for public safety. We have been awarded the distributorship of fire pumps & fire engines of Kirloskar. Ranjeet Electric Private Limited became the new name for new age fire solutions. Our fire solution specializes as a system integrator; our expertise is to provide end to end solution in the design, implementation, management and operational support for technology – based security and fire fighting solutions. In the year 2010, our company has also tied up with Mather and Platt Pumps Limited for distribution of various customized and engineered pumps, motors and accessories.

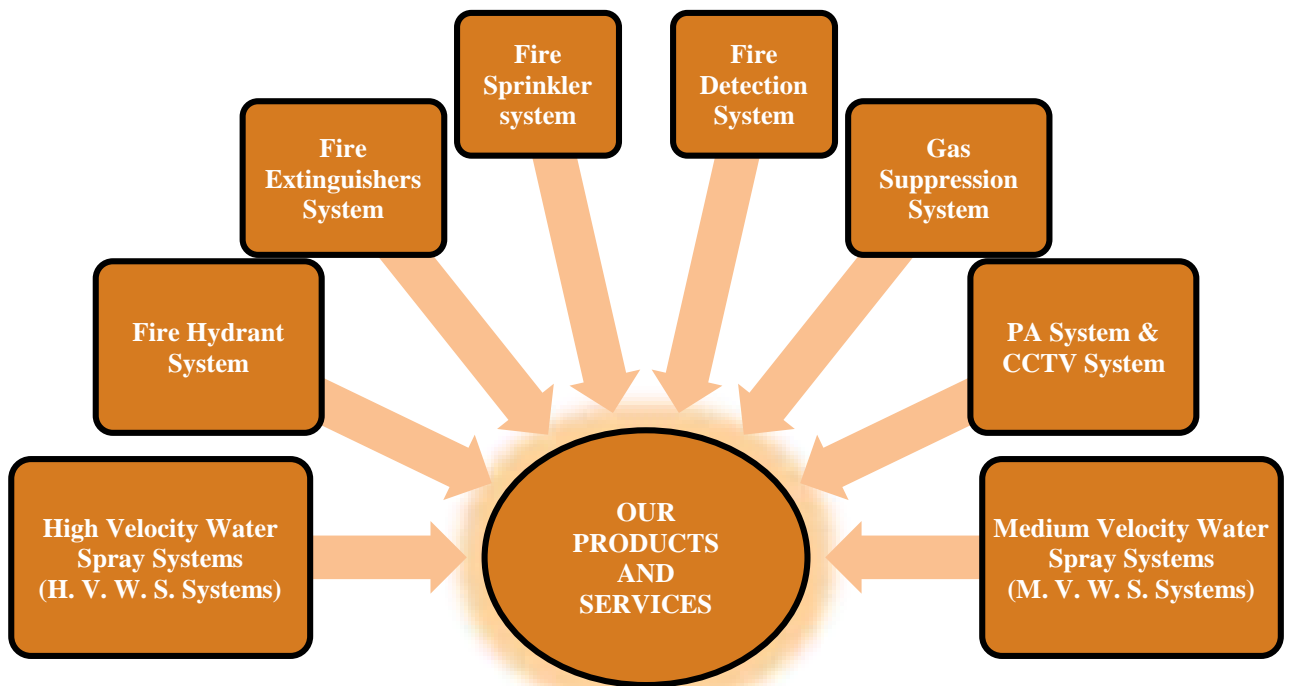
In the year 2012, our existing promoters Mr. Rakesh Swadia, Mr. Devarshi Swadia along with relatives floated the company called “Himgiri Solutions Private Limited” (“HSPL”) with the main object to carry the business of providing various essential building services such as mechanical, plumping, fire fighting, electrical safety security etc. In the year 2013, HSPL has been awarded a work contract of sewage treatment plant, pumping system including water softening and water distribution system at Nashik Airport.

In the year 2013, our existing promoters Mr. Rakesh Swadia, Mr. Devarshi Swadia along with relatives and others floated one more company called “Destiny Zone Security Systems Private Limited” (“DZSSPL”). In the year 2013-14, DZSSPL has been awarded a contract of approximately ₹ 10 crores (rupees Ten Crores) from NCC Limited at Vardhaman Institute of Medical Science for Design, Supply, Transportation, Installation, Testing, Commissioning related to fire hydrant system, sprinkler system, fire Extinguishers, fire pumps, gas based fire Suppression system.

On January 1, 2015, our Board of Directors approved a scheme of amalgamation under Sections 391 to 394 of the Companies Act, 1956 for amalgamation of Hingiri Solutions Private Limited and Destiny Zone Security Systems Private Limited with our Company, with the appointed date as April 1, 2014. The Hon'ble High Court of Gujarat at Ahmedabad, vide their Common Oral Order dated December 10, 2015, has sanctioned the scheme of amalgamation. As required under the Companies Act, 1956, the copy of the Common Oral Order was filed with the Registrar of Companies, Ahmedabad on January 20, 2016 and the same shall be considered as Effective Date. From the effective date (as defined under the scheme of amalgamation), the entire business and undertaking of Hingiri Solutions Private Limited and Destiny Zone Security Systems Private Limited including all their assets, liabilities, duties, and obligations transferred to our company.

At present, we are providing specialized firefighting solutions as a system integrator. Our expertise is to provide end to end solution in the installation, designing, commission, testing, implementation, management and operational support for technology – based security and fire solutions.

**OUR WIDE RANGE OF PRODUCTS AND SERVICES ARE:**



**1. FIRE HYDRANT SYSTEM**

**Application/How does it work:**

Fire Fighting Hydrant Systems are the most commonly used systems, in many residential and industrial projects. Fire Hydrant Systems are very strong and can be used from medium to large sized fires. Fire Hydrant Systems have a long range. Since the Fire Hydrant System is spread out, the fire hydrant can attack fire from different angles. This entire systems requires low maintenance and virtually, does not leak water. Besides this, Fire Hydrant Systems have a long life. The pump has the work, to continuously filling all the pipes connected with water under pressure. The pressure is nearly 7 bar to 10 bar.







### Equipment/Items Used:-

- Fire Hydrant Pump
- Control Panel to operate fire pumps
- Mild Steel/Galvanized Iron Pipes with heavy duty class
- Pressure Switch
- Pressure gauges
- Butterfly Valves
- Non Return Valves
- Ball Valves
- Hydrant Valves
- Hose Pipes
- Branch Pipes
- Hose Cabinets
- Hose Reel
- Four way fire brigade inlet
- Two way fire brigade inlet

## 2. FIRE SPRINKLER SYSTEM

### Application/How does it work:

The “Sprinkler” is a heat sensing device. Sprinkler Systems are of various types, temperature ranges and designs. The heat sensing element (of the Sprinkler) is pointed to the floor or to the area most prone to fire. The other end of the Sprinkler is connected to a network of pipes storing water under high pressure. Usually from 7bar to 10bar.

When there is a fire, near a Sprinkler; whose temperature is higher than the temperature rated value of the, heat sensing element in the Sprinkler. The bulb present inside the Sprinkler, or the heat sensing device bursts and water now flows through the Sprinkler Systems under pressure directly on to the fire affected area.

All of this is automated and happens, within 3mins, of the fire being detected. In this way Fire Protection Sprinkler System is an automatic, Fire Detection and Extinguishing System. However, Fire Sprinkler Systems was originally meant for Fire Suppression only. Fire Sprinkler Systems are so designed to, be completely automated. This is their major advantage above all other systems. They do not require human intervention of any kind. The basic concept, is that fire will be suppressed, at an infant stage. This will stop it from spreading. This is especially more advantages, if it is a residential project. As the Fire Protection System fights the fire, residents can be evacuated from the building. Hence, the chances of any person getting injured or killed because of fire, are very slim. Sprinkler System for Fire Fighting is a very effective method to suppress fire or the spread of fire.





**Equipment/Items to be Used:-**

- Fire Sprinkler Pump
- Control Panel to operate fire pumps
- Mild Steel/Galvanized Iron Pipes with heavy duty class
- Pressure Switch
- Pressure gauges
- Butterfly Valves
- Non Return Valves
- Ball Valves
- Sprinklers
- Flexible Drops

**3. FIRE DETECTION SYSTEM**



**Application/How does it work:-**

Fire Detection System in India or Fire Alarm Systems (FAS) are an early warning system for industrial or residential complexes. A Fire Alarm System is a passive system, meaning it does not stop the fire from spreading. It means that the Fire Alarm System does not actively fight the fire. The main function of a Fire Alarm System is to give an early warning, that the fire has taken place in the factory or residential complex. This means that, the people in proximity to that area have an early warning to evacuate the building. However the fire will continue to burn, unless if an active system like Fire Hydrant System or Fire Sprinkler System is engaged.



The second function of the Fire Alarm System is to, alert the responsible authorities. Here the authorities may be the local Fire Department or the Emergency Action team. The third function is to support the Fire Brigade, when they enter the building on fire. A Fire Alarm System also provides necessary emergency lighting, so that the Fire Team can navigate through the smoke and the dust.

There are two types of Fire Alarm Systems, based on the detection of location of fire :

1. Addressable Fire Alarm Systems
2. Non- Addressable Fire Alarm Systems

**Equipment/Items to be Used:-**

- Addressable Fire Alarm Panel
- Conventional (Non Addressable) Fire Alarm Panel
- Repeater Panel
- Smoke Detector
- Heat Detector
- Multi-criteria (Smoke + Heat) Detector
- Manual Call Point
- Hooter
- Response Indicator
- Cables





#### 4. GAS SUPPRESSION SYSTEM

##### Application/How does it work:-

Fire Protection Gas Suppression System or simply called as Automatic Fire Suppression System (or Gas Suppression System), is relatively a new technology in India. Unlike conventional system that use water, in Gas Based Fire Suppression System; water is never used and yet the fire is extinguished. Here Gas is used to extinguish the fire. Hence it is a Gas Based system. The fire gets extinguished, within a minute of activation and everything is automatic.

Gas Suppression Systems are generally used in concealed rooms.

Each detector constantly monitors the room for signs of fire. As soon as fire is detected, an alarm is sounded, to the personnel to evacuate the entire room. Then, the gas like, Novec, Clean Agent or Co<sub>2</sub> is released in the enclosed room. Thus, the oxygen in the room is rapidly reduced, to a level where fire cannot exist. However, living organisms remain unharmed, because of the gas. Because of such a system, all the delicate or critical items remain untouched and unharmed by fire or water.



##### Equipment/Items to be Used:-

- Seamless Pipes
- Gas Cylinders With valve
- Gas
- Wall Mount Cylinder Bracket
- Electromagnetic Actuator
- Manual Actuator
- Discharge Hose
- Check Valve
- Nozzle
- Gas Release Panel
- Smoke Detector
- Manual Call Point
- Hooter
- Cables
- Warning Sign Board

## 5. FIRE EXTINGUISHERS SYSTEM



### Application/How does it work:-

Fire extinguishers identify as red colour cylinders, seen generally at the doors. Fire Extinguishers come of a variety of types, sizes and for different applications.

### Operate:

One can best, operate a Fire Extinguishers, by using the PASS principle:

- 1) **P: PULL** the pin form the handle.
- 2) **A: AIM** the nozzle at the base of the fire.
- 3) **S: SQUEEZE** the handle, and don't let go.
- 4) **S: SWEEP** the nozzle from side to side.

### Type:

Water Type  
Dry Chemical type  
CO2 type  
Foam Type  
Wet Chemical Type

## 6. HIGH VELOCITY WATER SPRAY SYSTEMS (H. V. W. S. SYSTEMS)

### Application/How does it work:-

High Velocity Water Spray Nozzles

This system works uniquely effective against fire hazards involving heavy or medium oil. High Velocity Water Spray Systems also can be used to protect Circuit Breakers & Transformers.

This systems operates using the specifically designed nozzles depending on the fire area, requirement of shape of spray cone and the water flow.

This system has capacity to reach to the surface of burning oil penetrating the flame zone.

### Equipment/Items to be Used:

- Mild Steel/Galvanized Iron Pipes with heavy duty class
- Strainers
- Deluge Valve
- High Velocity Nozzle
- Quartz Bulb Detector
- Gate Valve
- Pressure Gauge
- Cables





## 7. MEDIUM VELOCITY WATER SPRAY SYSTEMS (M. V. W. S. SYSTEMS)

### Application/How does it work:-

Medium velocity water spray sprayers provide a continuous water spray with medium velocity consisting of finely divided water droplets. These systems are ideal in fighting against the fire involving light oils.

These systems sprayers are mostly used in combination with the other effective firefighting systems. The specifically designed nozzles produce a cooling spray which has very high capacity to absorb the heat.

This water jet is sprayed on the adjacent plants and structures which ultimately minimizes the damage and the risk of explosion.



### Equipment/Items to be Used:-

- Strainers
  - Deluge Valve
  - High Velocity Nozzle
  - Mild Steel/Galvanized Iron Pipes with heavy duty class
- Strainers
  - Deluge Valve
  - High Velocity Nozzle

## 8. CCTV SYSTEMS

### Application/How does it work:

CCTV (closed-circuit television) is a TV system in which signals are not publicly distributed but are monitored, primarily for surveillance and security purposes.

CCTV relies on strategic placement of cameras, and observation of the camera's input on monitors somewhere. Because the cameras communicate with monitors and/or video recorders across private coaxial cable runs or wireless communication links, they gain the designation "closed-circuit" to indicate that access to their content is limited by design only to those able to see it.

CCTV is commonly used for a variety of purposes, including:

- Maintaining perimeter security in medium- to high-secure areas and installations.
- Observing behavior of incarcerated inmates and potentially dangerous patients in medical facilities.
- Traffic monitoring.
- Overseeing locations that would be hazardous to a human, for example, highly radioactive or toxic industrial environments.
- Building and grounds security.
- Obtaining a visual record of activities in situations where it is necessary to maintain proper security or access controls (for example, in a diamond cutting or sorting operation; in banks, casinos, or airports).



### Equipment/Items to be Used:-

- CCTV Cameras
- Digital Video Recorder
- Hard Disk
- LCD/LED Monitors
- Cables

## 9. PA SYSTEM

### Application/How does it work:

A Public Address System (PA System) is an electronic system comprising microphones, amplifiers, loudspeakers, and related equipment. It increases the apparent volume (loudness) of a human voice, musical instrument, or other acoustic sound source or recorded sound or music. PA systems are used in any public venue that requires that an announcer, performer, etc. be sufficiently audible at a distance or over a large area. Typical applications include sports stadiums, public transportation vehicles and facilities, and live or recorded music venues and events. A PA system may include multiple microphones or other sound sources, a mixing console to combine and modify multiple sources, and multiple amplifiers and loudspeakers for louder volume or wider distribution.



### Equipment/Items to be Used:

- Wall Mount Speaker
- Ceiling Speaker
- Garden Speaker
- Horn Speaker
- Cables
- Wall Mount Speaker
- Ceiling Speaker
- Garden Speaker
- Horn Speaker

## OUR BUSINESS STRATEGY

### 1. Focus on enhancing the project execution capabilities:

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

### 2. Diversify into new geographies:

We plan to continue our strategy of diversifying across states and increase orders outside the state of Gujarat for the growth plan of our business. We have executed projects in the state of Gujarat, Tamilnadu, Haryana, Bihar, Madhya Pradesh, Rajasthan, Uttar Pradesh and Goa. To control diversification risks, we may limit our expansion to other states to undertaking projects first in the areas we can deliver high-quality services. Through an increasingly diversified portfolio, we hope to hedge against risks in specific areas or projects and protect us from fluctuations resulting from business concentration in limited geographical areas. With our increased experience and success, our rate of expansion may geographically increase due to increase in number of projects we undertake.

### 3. Attract and retain talented Employees:

Employees are essential for the success of every organization. We rely on them to operate our projects which include designing, supply, installation, testing and commission and deliver quality performance to our clients. We constantly intend to continue our focus on improving health, safety and environment for our employees working on the site and provide various programs and benefits for the personal well-being and career development of our employees.

## OUR COMPETITIVE STRENGTH

### 1. Vast Experience of more than two Decades:

Our Promoter is having vast experience of more than two decades in executing project from small to large scale be it project of small scale commercial projects of private sector or large scale hospital/Medical college, Metro Rail projects of government-semi government. Our core capabilities of design, engineering, procurement, construction and commissioning which makes us one stop solution in EPC services of various kind of fire protection and detections systems.

**2. Long term Relationship with the Clients:**

Our company focuses on providing the customers with the desired and standard quality of work. By providing the desired quality and standards of work we aim to achieve highest level of customer satisfaction. Because of our good reputation with the clients we get positive support from the clients.

**3. Capturing the growth potential and government focus on sector:**

Infrastructural growth in India has gained momentum with the reforms and benefits extended by the government. Government have taken various steps for the industrial and infrastructural growth of the country through increased allocation, facilitation of incremental lending to the infrastructural sector and discounted lending rates to infrastructure sectors. We believe that with the increased focus of the government in the infrastructural sector can be a major growth opportunity for our Company. Our services of installation, designing, supply, testing and commission of fire protection systems/instruments and detections systems is essential in all this kinds of infrastructural projects.

**4. Timely completion of projects:**

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

The details of completed projects by us during recent past are given below:

**PROJECTS COMPLETED:**





Sr. No	Name of Projects Completed	Location of the Project	Major Scope of Service	Work Awarded From	Work Order Value/ Executed Value (₹ in Lakh)
1	Medical College Sola, Ahmedabad.*	Sola, Ahmedabad, Gujarat	Supply Installation and Testing of Fire Fighting work.	Malani Constructions Co.	218.16
2	Vardhaman Institute of Medical Science (VIMS) Project^	Pawapuri, Nalanda, Bihar,	Design, Supply, Transportation, Receiving at site, Unloading, Shifting, Storing, Installation, Testing, Commissioning and Handing over of all Equipments. Materials and System related to Fire Hydrant System, Sprinkler System, Fire Extinguishers, Fire Pumps, Gas based Fire Suppression System and miscellaneous items works as per technical specifications.	NCC Limited	1000.00
4	Chennai Metro Rail Project for Alandur Station. ^	Chennai, Tamil Nadu.	Design, Supply, Transportation, Receiving at site, Unloading, Shifting, Storing, Installation, Testing, Commissioning and Handing over of all Equipments. Materials and System related to Fire Hydrant System, Sprinkler System, Fire Extinguishers, Fire Pumps and miscellaneous items works as per technical specifications.	NCC Limited	52.05
5	Chennai Metro Rail Project for Guindy Station.^	Chennai, Tamil Nadu.			38.38
6	Chennai Metro Rail Project Ota Station.^	Chennai, Tamil Nadu.			38.45
7	Chennai Metro Rail Project for Little Mount Station.^	Chennai, Tamil Nadu.			34.63
8	Kalpna Chawla Government Medical, College, Karnal Haryana. ^	Karnal, Haryana	Fire Fighting Works which includes designing, supplying, erection, testing and commissioning of the entire system.	JMC Projects (India) Limited	280.00
9	GMERS (Gujarat Medical & Education Research Society) Medical College (Phase - 1) (300 bedded Hospital Works) - Project Implementation Unit (PIU)	Vadnadar, Mehsana (District), Gujarat	Fire Hydrant & Fire Sprinkler Works	Shaapoorji Pallonji & Co. Pvt. Ltd.	137.95
10	Goa Shipyard Modernisation Project Phase- 3A	Goa	Erection, Testing & Commissioning of Fire Fighting Works	Simplex Infrastructure s Limited	325.00
11	Mausam Vihar Allahabad Site	Allahabad, Uttar Pradesh	Supply, Transportation, Receiving at site, Unloading, Shifting, Storing, Installation, Testing, Commissioning and Handing over of all Equipments. Materials and System related to Fire Hydrant System, Sprinkler System, Fire Pumps, Fire Alarm, PA System and miscellaneous items works as per technical specifications.	NCC Limited	105.21

Sr. No	Name of Projects Completed	Location of the Project	Major Scope of Service	Work Awarded From	Work Order Value/ Executed Value (₹ in Lakh)
12	Unique Aashiyana Project	Ahmedabad, Gujarat	Supply, Transportation, Receiving at site, Unloading, Shifting, Installation, Testing, Commissioning and Handing over of all Equipments. Materials and System related to Fire Hydrant System, Sprinkler System and Fire Alarm System.	Unique Infraspaces Private Limited	54.00

\* Project was awarded to Himgiri Solutions Private Limited and was executed and completed by Ranjeet Mechatronics Private Limited (RMPL) due to Merger of Himgiri Solutions Private Limited with Ranjeet Electric Private Limited.

^ Project was awarded to Destiny Zone Security Systems Private Limited and was executed and completed by Ranjeet Mechatronics Private Limited (RMPL) due to Merger of Destiny Zone Security Systems Private Limited with Ranjeet Electric Private Limited.

#### PROJECTS ON HAND:

Sr. No.	Name of Projects	Location of the Project	Scope of Service	Work Awarded From	Purchase Order date	Amount (₹ in Lakh)
1	Malaviya National Institute of Technology (MNIT)^	Jaipur, Rajasthan	Providing & Fixing/Installation, Commissioning & Testing of Fire Fighting and Fire Alarm System	Simplex Infrastructures Limited	March 09, 2015	120.64
2	Puran Premium Apartments, Greater Mohali Area Development Authority (GMADA)^	Mohali Punjab	Fire Fighting, Fire Detection and Evacuation System.	Simplex Infrastructures Limited	September 10, 2015	740.00
3	Vedanta Medical Research Foundation (VMRF)	Raipur, Chattisgarh	Order of Fire Pipe with Painting, Supply and Installation of Gate Valve and Alarm Valve, Supply, Installation, Testing and Commissioning of Sprinkler Pipe Network, Underground Pipe with Accs. Flexible Sprinkler Pipe, Fire Pipe with Support, Fire Hose Pipe, Internal /External Hydrants, Pressure Relief Valve, Fire Brigade Inlet Connection, Fire Water Pump and Fire Water Diesel Pump, Jockey Pump, Flow Indicator, Pressure gauge and other fire fighting equipments as per Work Order.	JMC Projects (India) Limited	January 06, 2018	138.53
4	International Cricket Stadium	Saifai, Etawah District, Uttar Pradesh	Supply, Transportation, Receiving at site, Unloading, Shifting, Storing, Installation, Testing, Commissioning and Handing over of all Equipments. Materials and System related to Fire Hydrant System, Sprinkler System, Fire Extinguishers, Fire Pumps and miscellaneous items works as per Work Order.	NCC Limited	August 30, 2016	255.25

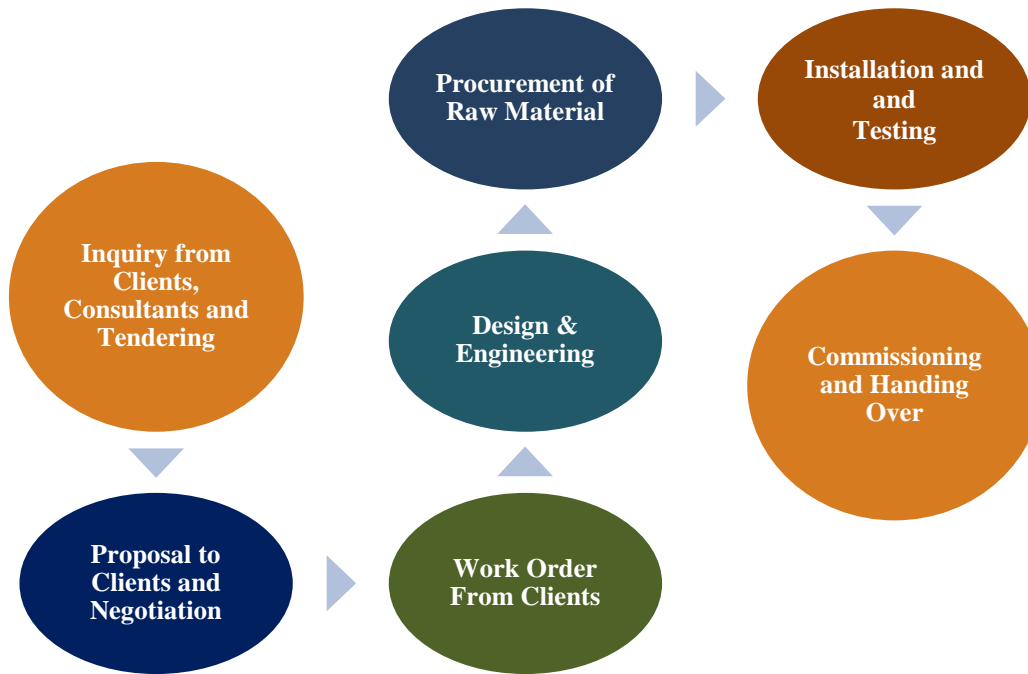
Sr. No.	Name of Projects	Location of the Project	Scope of Service	Work Awarded From	Purchase Order date	Amount (₹ in Lakh)
6	Awadh Vihar Yogna- Uttar Pradesh Housing and Development Board.	Mandakini, Lucknow, Uttar Pradesh	Supply Installation, Testing and Commissioning of various equipments and items for Fire Fighting work.	NCC Limited	November 3, 2016	285.43
7	Indian Institute of Management, Raipur Project.	Raipur, Chattisgarh	Supply Installation, Testing and Commissioning of various equipments, materials and systems related to Fire Fighting work.	NCC Limited	August 17, 2017	119.93
8	Lucknow Development Authority Project	Lucknow, Uttar Pradesh	Supply, Transportation, Receiving at site, Unloading, Shifting, Storing, Installation, Testing, Commissioning and Handing over of all Equipments, Materials and System related to Fire Hydrant System, Sprinkler System, Fire Extinguishers, Fire Pumps and miscellaneous items works as per Work Order.	NCC Limited	August 18, 2017	295.59
9	GOA Shipyard Project of GOA Shipyard Limited (GSL).	Goa	Supplying and Installation of Fire Fighting Works.	JMC Projects (India) Limited	May 20, 2017	1188.18
10	Samajwadi Yogana, Lucknow Site	Lucknow, Uttar Pradesh	Supply, Transportation, Receiving at site, Unloading, Shifting, Storing, Installation, Testing, Commissioning and Handing over of all Equipments, Materials and System related to Fire Hydrant System, Sprinkler System, Fire Extinguishers, Fire Pumps, Fire Alarm, PA System and miscellaneous items works as per Work Order	NCC Limited	August 29, 2018	383.28
11	Basement Sprinkler Works for Samajwadi Yogana, Lucknow Site	Lucknow, Uttar Pradesh	Supply, Transportation, Receiving at site, Unloading, Shifting, Storing, Installation, Testing, Commissioning and Handing over of all Equipments, Materials and System related to Extra Items for Fire Fighting at Basement, Sprinkler Works.	NCC Limited	January 31, 2018	42.12
12	Shan-e-Awadh Project	Lucknow, Uttar Pradesh	Supply, Transportation, Receiving at site, Unloading, Shifting, Storing, Installation, Testing, Commissioning and Handing over of all Equipments, Materials and System related to Fire Hydrant System, Sprinkler System, Fire Extinguishers, Fire Pumps and miscellaneous items works as per Work Order.	NCC Limited	September 14, 2017	559.95
13	Awadh Vihar Yogna- Uttar Pradesh Housing and Development Board	Alakanda, Lucknow, Uttar Pradesh	Supply, Transportation, Receiving at site, Unloading, Shifting, Storing, Installation, Testing, Commissioning and Handing over of all Equipments, Materials and System related to Fire Hydrant System, Sprinkler System, Fire Extinguishers, Fire Pumps and miscellaneous items works as per Work Order.	NCC Limited	September 14, 2017	195.13

Sr. No.	Name of Projects	Location of the Project	Scope of Service	Work Awarded From	Purchase Order date	Amount (₹ in Lakh)
14	Mandola Vihar, Gaziabad Project Site.	Gaziabad, Uttar Pradesh	Supply, Transportation, Receiving at site, Unloading, Shifting, Storing, Installation, Testing, Commissioning and Handing over of all Equipments, Materials and System related to Fire Hydrant System, Sprinkler System, Fire Extinguishers, Fire Pumps, Fire Alarm, PA System and miscellaneous items works as per Work Order	NCC Limited	September 26, 2017	781.59
15	Indian Institute of Technology, Ropar (Rupnagar) Project	Punjab	Supply, Transportation, Receiving at site, Unloading, Shifting, Storing, Installation, Testing, Commissioning and Handing over of all Equipments, Materials and System related to Fire Fighting Works.	NCC Limited	November 22, 2017	188.44
16	Indian Institute of Management, Raipur Campus Project	Raipur, Chhattisgarh	Supply of various Equipments and items related to High Velocity Sprinkler System	NCC Limited	December 05, 2017	15.80
17	ITC Narmada Hotel at Judges Bungalow Road, Vastrapur, Ahmedabad	Ahmedabad, Gujarat	Fire Fighting Works	ITC Limited	March 28, 2018	335.00
18	AP MLA Quarters, Amaravati Project	Guntur, Andhra Pradesh	Supply, Transportation, Receiving at site, Unloading, Shifting, Storing, Installation, Testing, Commissioning and Handing over of all Equipments, Materials and System related to Fire Fighting Works	NCC Limited	June 07, 2018	381.41

^ Project was awarded to Destiny Zone Security Systems Private Limited and is executed by Ranjeet Mechatronics Private Limited (RMPL) due to Merger of Destiny Zone Security Systems Private Limited with Ranjeet Electric Private Limited.

## SWOT ANALYSIS

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>➤ High-quality, cost-effective projects delivery capabilities</li> <li>➤ Good track record of on schedule completion of project</li> <li>➤ Experience of more than two decades of Promoters in the designing, supply, installation, testing and commissioning of Fire Protection System, Safety System, Security and Automation including pipe fabrication and jointing provider.</li> <li>➤ Supporting motivated, flexible, and focused team.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Till now, we are geographically concentrated to Gujarat, Rajasthan, Haryana, Punjab, Chhattisgarh, Tamilnadu, Goa, Bihar, Uttarpradesh and Madhya Pradesh.</li> <li>➤ Relatively small size of operations till last year.</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>➤ Increasing Government focus on increasing reforms in the infrastructural and industrial sector.</li> <li>➤ Expansion of key industry sector like power, steel, petrochemicals, telecom and others.</li> <li>➤ Infrastructural development in the Country</li> </ul>	<ul style="list-style-type: none"> <li>➤ Economical and Political scenario in the country</li> <li>➤ Gradually becoming highly competitive due to entry of large number of organized player which are creating disturbance by offering services at unrealistic prices.</li> </ul>



**Inquiry from Clients, Consultants and Tendering**

We receive inquiries from clients, generally from existing client to give a quote against the scope of services provided to us by them. Generally, our clients have been awarded turnkey projects commencing from land development to lock and key commercial and industrial projects from private, government and semi governments. Our services of designing, supply, installation, testing and commissioning of Fire Protection System, Safety System, Security and Automation including pipe fabrication and jointing provider are forming part of their scope of their turnkey projects.

We also receive inquiry from Consultants, Architects, Civil Contractors etc. for our services along with our scope of services and quotes thereof. Moreover, we have also registered ourselves in various portals which are imparting services of providing alerts, if any customer is in requirement of availing the nature of services we are providing it and that too after filtering the parameter of specific locations.

We also bid in various tenders that we come to know through newspaper advertisement, media or through consultants, architects and civil contractors.

**Proposal to Clients and Negotiations**

We get the complete scope of the work/services along with time schedule of completing the project, including various terms and condition related to project and retention amount etc. We provide the proposal accordingly to our customers along with repayment schedule. Some of the projects in which every participant are required to bid through online/offline tender, subject to fulfillment of eligibility criteria of bidding the tender.

Other than tendering process, before awarding the contract, clients negotiate with us. If the situations are found win-win for both the parties then the contract is been awarded.

**Work order from Client**

After closure of the negotiation stage, we get the Work order from the client stating the scope of work/services, Work Order Value, taxes and duties, packing, Insurance, Completion period, Validity of price, other terms and condition etc. If the work order is in order then we are suppose to provide one duplicate signed copy of the order to the client accepting the same.

**Design and Engineering**

We commence the design and Engineering as per scope of the work stated in the purchase order. We get it blue print of it and share the same with the clients and get the design in-principally approved from them.

## Procurement of Raw Material

We procure the Raw material either from the respective suppliers at different site locations or transfer from our stock available at our godown. The Raw material is supplied to site as per the instruction of pre-approved bar chart at the respective site. The running bill accounting system is adopted accordingly.

## Installing and Testing

On receipt of Raw Material at the project site, installing and testing process is executed as per design approved by the client.

## Commissioning and Handing Over

After successful installation and testing of project, project is commissioned and we hand over the project to the client.

## UTILITIES AND INFRASTRUCTURE FACILITIES

### RAW MATERIAL

Services/Products	Raw material	Availability/ Procurement
<b>Gas Suppression System</b>	Seamless Pipes / ERW PIPE	Gujarat
	Gas Cylinders With valve	Puducherry
	Gas	Puducherry
	Wall Mount Cylinder Bracket	Puducherry
	Electromagnetic Actuator	Puducherry
	Manual Actuator	Puducherry
	Discharge Hose	Puducherry
	Check Valve	Puducherry
	Nozzle	Puducherry
	Gas Release Panel	Delhi
	Smoke Detector	Maharashtra
	Manual Call Point	Maharashtra
	Hooter	Maharashtra
	Cables	Gujarat
Warning Sign Board	Maharashtra	
<b>High Velocity Water Spray Systems (H. V. W. S. Systems)</b>	Mild Steel/Galvanized Iron Pipes with heavy duty class	Gujarat
	Strainers	Gujarat
	Deluge Valve	Maharashtra
	High Velocity Nozzle	Maharashtra
	Quartz.Bulb Detector	Maharashtra
	Gate Valve	Gujarat
	Pressure Gauge	Gujarat
	Cables	Gujarat
<b>Medium Velocity Water Spray Systems (M. V. W. S. Systems)</b>	Mild Steel/Galvanized Iron Pipes with heavy duty class	Gujarat
	Strainers	Gujarat
	Deluge Valve	Maharashtra
	High Velocity Nozzle	Maharashtra
	Quartz Bulb Detector	Maharashtra
	Gate Valve	Gujarat
	Pressure Gauge	Gujarat
	Cables	Gujarat
<b>CCTV (closed-circuit television)</b>	CCTV Cameras	Gujarat
	Digital Video Recorder	Gujarat
	Hard Disk	Gujarat
	LCD/LED Monitors	Gujarat
	Cables	Gujarat

<b>FPS SYSTEM Pump House, Hydrant, Sprinkler, Pa, Fire Alarm Systems</b>	Hydrant valve	Gujarat
	Hose Pipe with Coupling	Gujarat
	Pumps & Motor	Delhi
	Control Panel	Uttar Pradesh
	FHC Door	Uttar Pradesh
	Sprinkler	Maharashtra
	Fire Alarm Panel	Delhi
	Amplifier	Delhi
	Cables	Goa

## PLANT & MACHINERY AND TECHNOLOGY

Since we are into assembling and installation of Fire Fighting Equipments, we do not own any major plant and machinery as on the date of this Draft Prospectus.

There is no major technology involved in our case as we are in assembling and installation.

## POWER:

Our Registered office requires power for the normal requirement of the Office for lighting, systems etc. Adequate power is available which is met through the electric supply by Torrent Power Limited and at various sites for testing of facility installed we get it through customer's utility at the time of service and erection.

## WATER:

Water is required only for drinking and sanitary purposes and adequate water sources are available at the existing premises. Requirement of water for testing of products at various sites is met from customer's utility at the time of service and erection.

## HUMAN RESOURCES

Human resource is an asset to any industry. We believe that our employees are the key to the success of our business so as to complete the projects in timely manner. As on April 30, 2018, our Company has 27 employees on payroll. Our manpower is a prudent mix of experienced and young personnel which gives us the dual advantage of stability and growth. Our work processes and skilled resources together with our strong management team have enabled us to successfully implement our growth plans. The details of department wise number of employees are given here below:

Sr. No.	Particulars	Employees
1.	Management	3
2.	Finance	2
3.	Administration	4
4.	Project management	18
	<b>Total</b>	<b>27</b>

## MARKETING ARRANGEMENT

The efficiency of the marketing and service network is critical success of our Company. We focus on direct understanding of client's requirements combined with skill set required for the particular role. Our success lies in the strength of our client loyalty for our wide range of services. Our team through their experience and good rapport with the clients owing to timely and quality delivery of service plays an instrumental role in creating and expanding a work platform for our company.

We believe our relationship with the clients is strong and established. At present, Mr. Devarshi Swadia, Whole Time Director, who looks after our client relations, marketing division, day to day planning, co-ordination and execution of ongoing projects and future projects of company. Further we also have our own website displaying and offering our variety of services thereby supporting in promotion of our brand. We intend to expand our existing customer base by reaching out to other geographical areas.

## COLLABORATIONS, ANY PERFORMANCE GUARANTEE OR ASSISTANCE IN MARKETING BY THE COLLABORATORS



Our Company has not entered into any collaboration, or Performance guarantee or assistance for marketing with any Company.

## COMPETITION

Competition emerges from organized sector and as well from small and big regional and National players. The company has accumulated extensive experience of executing contracts for the last 25 years and our experience in this business has enabled us to provide quality services in response to customer's demand for best quality of services in timely manner. We believe that our ability to compete effectively is primarily dependent on timely execution of the projects awarded to us and having long term relationship with our clients which strengthens our brand over the years.

## CAPACITY AND CAPACITY UTILIZATION

Our Company being in the service industry, installed capacity and capacity utilization is not applicable to us.

## INTELLECTUAL PROPERTY RIGHTS

Our Company does not have any registered Intellectual Property Right (Assets) to differentiate our business offering from those of the rivals.

## DETAILS OF IMMOVABLE PROPERTY

### A. Owned Properties:

Sr. No.	Description of Property	Name of the Seller	Date of Execution of Agreement	Consideration paid (₹in Lakh)	Area	Usage
1	T P Scheme No. 3, Final Plot No.198, Block No. A, Office No. 408, 4 <sup>th</sup> Floor.	Mr. Bhavin R. Kalavadiya	April 09, 2014	49.89	997.00 Sq. Ft., 92.66 Sq. Mt.	Office Use
2	T P Scheme No. 3, Final Plot No.198, Block No. A, Office No. 407, 4 <sup>th</sup> Floor.	Mr. Bhavin R. Kalavadiya	April 09, 2014	57.00	1140.00 Sq. Ft., 105.95 Sq. Mt.	Registered Office
3	201/A, Ashavari, Behind, Karnavati Bunglows, Gandhinagar Sarkhej Highway, Ahmedabad*	Mrs. Isha Dipak Kumar Trivedi	May, 25, 2007	64.65	360.36 Sq. Mt.	Office Guest House

\* the Company is in process of entering in to "Agreement To Sale" for the said property with Mr. Rakesh Swadia, Mr. Devarshi Swadia and Mrs. Nitaben Swadia.

### B. Properties taken on lease basis:

Sr. No.	Description of Property	Name Of Lessor / Licensor	Date of Lease Agreement	Period	Consideration (Rent)	Usage
1.	Block A, 407A-4 <sup>th</sup> Floor, Dev Aurum, Anand Nagar Cross Road, Ahmedabad.	Mr. Rakeshbhai Vallabhbbhai Swadia, Mr. Devarshi Rakeshbhai Swadia, Mrs. Nitaben Rakeshbhai Swadia and Mrs. Manishaben Devarshi Swadia	Leave and Licence Agreement dated May 7, 2018	Period of 11 months and 29 Days commencing from May 1, 2018.	₹ 22,500/- (Rupees Twenty Two Thousand Only) Per Month	Office Use
2.	House No. 11, Street No. 2, Malhotra Colony, Ropar, Tehsil	Mrs. Ravesh Malhotra	Rent Agreement dated June 13, 2018.	11 Months commencing from June 1, 2018.	₹ 4,000/- (Rupees Four Thousand)	Project Office

Sr. No.	Description of Property	Name Of Lessor / Licensor	Date of Lease Agreement	Period	Consideration (Rent)	Usage
	& District Ropar (Punjab)				Only) Per Month	
3.	Flat No. 609, on the Sixth Floor, in the Building known as "Susheela Sea Winds III- B" situated at Vaddem, Vasco Da Gama, Goa.	Mr. Shakti Kumar	Leave and Licence Agreement dated June 21, 2018	11 Months commencing from June 1, 2018.	Monthly Rent of ₹ 15,000 (Rupees Fifteen thousand Only)	Project Office
4.	Ek Kitha Bhawan, Patel Nagar, Neelmatha, Lucknow-226002	Mrs. Lalita Devi	Rent Agreement dated December 7, 2017.	11 Months commencing from December 1, 2018	₹ 2,000/- (Rupees Two Thousand Only) Per Month	Project Office
5.	Survey No. 880/1, 880/3, 879/2, Block No. 972, Aslali, Godown No. 1682.	Mrs. Rekhaben Jyeshbhai Trivedi	Not Available	Not Available	₹ 14827/- (Rupees Fourteen Thousand Eight Hundred and twenty Seven) Per Month	Godown
6.	F-2, B-203, Block No. 29, Sector-27, New Raipur, Raipur District, Chattisgarh.	Mr. Lalit Kumar Baghel	Rent Agreement dated July 20, 2018	11 Months commencing from July 1, 2018.	₹ 4,000/- (Rupees Four Thousand Only) Per Month	Project Office

## INSURANCE

Presently, our Company has taken following Insurance Policies:-

Sr. No.	Name of the Insurance Company	Type of policy	Validity Period	Description of cover under the policy	Policy No.	Sum Assured (₹ in Lakh)	Premium (in ₹)
1.	ICICI Lombard	Standard Fire and Special Perils Insurance	00.00 Hours of May 09, 2018 to Midnight of May 08, 2019	Storage of Non-Hazardous Goods at Godown situated at:- 1) Mohali C/O Simplex Infrastructures Ltd, Purab Premium Apartment Gmada, Sector 88, Sas Nagar, Pocket-Ii, Mohali, Punjab Mohali, Pin-160070. 2) Goa C/O JMC Project Ltd, Goa Shipyard Limited modernization Project Phase-3b, P.O. Vaddem, Vasco-Da-Gama,Goa,Vascodagama,Goa,Pin-403802. 3) Lucknow C/O. NCC Limited PHB, Samajwadi - Sariyu Avadh Vihar, Lucknow, U.P,Uttar Pradesh, Pin-226001 4) Lucknow C/o. NCC Limited U.P HB, Alakananda Project,	1001/1166679 23/02/000	₹ 800.00	₹ 59889.72

Sr. No.	Name of the Insurance Company	Type of policy	Validity Period	Description of cover under the policy	Policy No.	Sum Assured (₹ in Lakh)	Premium (in ₹)
				<p>Avadi I ViiIar, Lucknow, U.P, Lucknow, Uttar Pradesh, Pin-278001.</p> <p>5) C/O. NCC Limited Lds, Janeshwarjanki Puram, Lucknow, U.P. 226021, Lucknow, Uttar Pradesh, Pin-226021.</p> <p>6) Baroda C/o, Gujarat Kidney Hospital, Dr. Pragnesh, Baroda Gujarat, Vadodara, Gujarat, Pin-390001.</p> <p>7) Indore C/O Simplex Infrastructures Ltd C-2 970, IIT, Simrol, Campus, Indore, M.P., Indore, Madhya Pradesh, Pin-452001.</p> <p>8) Jaipur C/O Simplex Infrastructures Ltd MNIT Campus, Jhalana Dungri Bye-Pass Road, Ots Circle, Opp. K.V. No. 3 School, Jaipur (Raj.) -302017, Jaipur, Rajasthan, Pin-302001.</p> <p>9) Aslali, Ahmedabad-1682 Rambhai Estate Opp. Kankuba Hallaslali, Gam, Ahmedabad, Gwarat, Pin-380001.</p> <p>10)Tulsi Complex, Ahmedabad, 4, 5, 6, 213, 214 Tulsi Complex, Nr. Mithakali Six Roads, Navrangpura, Ahmedabad, Gujarat, Pin-380001.</p> <p>11)NCC –Raipur, Chattisgarh, IIM Raipur, Pota Chariya Village Naya Raipur, Chattisgarh, Raipur, Chhattisgarh, Pin-492001.</p> <p>12)VMRF - JMC Project Ltd Naya Raipur, Chhattisgarh, Pin-492001.</p> <p>13)C/O. NCC Limited, IIT, Ropar, New Campus, Birla Farm, B.O., Phool Khurdropar-140001, Punjab, Ropar, Punjab, Pin-140001.</p> <p>14)ITC Ltd - Hotel Division, 104/A, ITC Ltd, Nr. Keshavbaug Party Plot, Vastrapur, Ahmedabad-380015, Gujarat, Pin-380001.</p> <p>15)C/O. NCC Limited International Cricket Stadium, Saifaletawah, U.P., Etawah, Uttar Pradesh, Pin-206001.</p>			

Sr. No.	Name of the Insurance Company	Type of policy	Validity Period	Description of cover under the policy	Policy No.	Sum Assured (₹ in Lakh)	Premium (in ₹)
				16)C/O. NCC Limited Shan E Avadh Sector-7, Gomtinagar Extension, Beside International Cricket Stadium, Lucknow, Uttar Pradesh, Pin-226021. 17)C/O. NCC Limited, Mandola Vihar Yojna, Sector-7, Loni-Ghaziabad, U.P. 201002, Pin-201001 18)C/O. NCC Limited, Mausum Vihar Housing Project Kalindipuram Aawas Yojna, Nr. Jai Jawan Colony, IIT Fioad, Rajrup Fur Road, Allahahbad, Pin-211001. 19)Unique Ashiana, Gota, Ahmedabad, Gujarat, PIN-380001.			
2.	The New India Assurance Co. Ltd.	Standard Fire & Special Perils Policy	27/08/2017 12:00:01 AM to 26/08/2018 11:59:59 PM.	Office including Ele. Inst., Common amenities such as Lift, parking Area, Staircase, Under & Over Water tank on RIV Basis situated as A/407, Dev Aurum, Nr. Seema Hall, Anandnagar Char Rasta, Near Prahladnagar, Ahmedabad- 380015.	21300011170 100001169	₹ 16.00	₹ 1,059.00
3.	The New India Assurance Co. Ltd.	Standard Fire & Special Perils Policy	From 27/08/2017 12:00:01 AM to 26/08/2018 11:59:59 PM.	Cover on Building and Elect fittings including all types of Common Amenities such as underground and Over Head water Tank and Lift Stairs situated at L/L.4, 5 & 6, Tulsi Complex, Nr. Mithakali Six Road, Navrangpura, Ahmedabad- 380009. (Used as Godown)	21300011170 100001166	₹ 10.00	₹ 661.00
4.	The new India Assurance Co. Ltd.	Standard Fire & Special Perils Policy	From 27/08/2017 12:00:01 AM to 26/08/2018 11:59:59 PM.	Cover of Office Building, On Building and Elect Fittings and all types of Common Amenities such as stairs and underground and over head water tank and lift etc situated at 213,214, Tulsi Complex, Near Mithakhali Six Roads, Navrangpura, Ahmedabad-380009.	21300011170 100001170.	₹ 20.00	₹ 1,325.00
5.	TATA AIG General Insurance Company Limited	Auto Secure Private Car Package Policy	From 11/08/2017 to Midnight of 10/08/2018	Insurance of Vehicle with Registration No: - GJ 01 KS 0390, Model: - Toyota Fortuner-3.0l 2WD, Engine No. 1KU050299, Chassis No. MBJ11JV6104006287.	01573693510 0	₹ 12.24	₹ 38,301.00
6.	Reliance General Insurance Company Limited	Two Wheeler Package Policy	From 00:01 Hrs on 26/08/2017 to 23:59 hrs	Two Wheeler Vehicle with Registration No:- GJ01SK0390, Model: - Honda Activa 3G, Engine No:-	16022172312 0066447	₹ 0.32	₹ 1,129.00

Sr. No.	Name of the Insurance Company	Type of policy	Validity Period	Description of cover under the policy	Policy No.	Sum Assured (₹ in Lakh)	Premium (in ₹)
			of 25/08/2018	JG50ET1075054/ME4JF502EE T074596.			
7.	Reliance General Insurance Company Limited	Two Wheeler Package Policy	From 00:01 Hrs on 09/07/2017 to 23:59 hrs of 08/07/2018	Two Wheeler Vehicle with Registration No. GJ01NQ0390, Model: - Honda Activa, Engine No.:- 82196/93210.	16022172312 0059525	₹ 0.20	₹ 1,014.00
8.	Future Generali India Insurance Co. limited	Future Secure Motor Insurance- Comprehensive Policy	From 00:00 Hrs of 04/01/2018 to Midnight of 03/01/2019	Motor vehicle with Registration No.:- GJ01RW0390, Model: - Hyundai i20 Magna 1.2 (IB) BSIV, Engine no:- 240655, Chasis no:- 319280.	2018-V5412087-FPV	₹ 5.39	₹ 14932.00
9.	Reliance General Insurance Co. Limited	Private Car Package Policy	From 00.01 Hrs on 23/03/2018 to 23.59 Hrs of 22/03/2019	Motor Vehicle with Registration No.:-GJ01KR0390, Model:- Nissan Micra, Engine No./Chasis No. :- 013388/9013623	16022182311 0021589	₹ 3.00	₹ 6,880.00
10.	TATA AIG General Insurance Company Limited	Auto Secure Private Car Package Policy	From 13/01/2018 to Midnight of 12/01/2019	Motor Vehicle with Registration No.:-GJ01RX0390, Model:- Hyundai Creta- 1.6 SX PLUS AT, Engine No./Chasis No. :- 225438/193083	01579048910 0	₹ 12.74	₹ 30,213

#### INDEBTEDNESS

Our Company is availing following Facilities from the following Bank/NBFC, details of which are as under:

(₹ in Lakh)

Sr. No.	Name of the Lender	Sanction Amount	Purpose	Amount O/s as on March 31, 2018	Interest Rate per annum	Security	Period & Repayment Schedule
1.	Bajaj Finance Limited	176.00	Working Capital Loan	176.00	10.90%	Mortgage of property situated at Flat No. A/201, 2nd Floor, Ashavari Tower, Nr. Wide Angle Cinema, Satellite, Ahmedabad – 380 015	Loan shall be repayable in 156 months
2.	HDFC Bank Limited	460.00	Working Capital Loan	444.50	10.20%	Primary and Collateral Securities	On Demand
3.	HDFC Bank Limited	475.00	Letter of Credit of Bank Guarantees	320.17	1.25%	(a). Hypothecation of Stock in trade, consisting of raw materials, good in process of manufacturing finished goods, and other merchandise whatsoever being movable properties	On Demand

Sr. No.	Name of the Lender	Sanction Amount	Purpose	Amount O/s as on March 31, 2018	Interest Rate per annum	Security	Period & Repayment Schedule
						<p>now stored or which may hereafter be brought into or stored at the premises, factories or warehouses or at any such place of the Borrower, any of above which is or may be in course of transit or awaiting transit by any mode of transport to the Borrowers' factory or premises or at any other place whatsoever and whosoever in the borrower's possession or occupation or at any other premises or place and/or</p> <p>(b). Hypothecation of all the Debts, that is all the book debts 120 days, outstanding, monies receivable, claims, bills, invoice documents, contracts, guarantees, and rights which are now due and owing or which may at any time hereafter during the continuance of this security becomes due and owing to the Borrower in the course of its business by any person, firm, company or body corporate or by a government department or office or any municipal or local or public or semi-government body or authority or anybody corporate or undertaking or project whatever in the public sector.</p> <p>(c). The Fixed Deposits / Cash Deposits of the Company aggregating Rs.71.25 Lakhs.</p> <p>(d). Mortgage of (1)</p>	

Sr. No.	Name of the Lender	Sanction Amount	Purpose	Amount O/s as on March 31, 2018	Interest Rate per annum	Security	Period & Repayment Schedule
						<p>Residential property const cost ₹ 16.65 Lakhs A92, 9th floor shanta Nagar navrangpura Sr. No. 2375.2376,FP No. 114P TP No. 19380009NR Darpan six Road; (2)</p> <p>Residential property - const-cost-1080000 Flat No. 807, Block D, 8th Floor Riverside. Parkop shantabag society shahwadi S. No. 576P, 577P, FP No. 38 and 39, TPS No. 94NR vaishali, Township 380001NR Vaishali Township Opp Shantabag society. (3)</p> <p>Commercial const-cost ₹ 9.72 Lakhs 213 and 214, 2nd floor Tulsi shop and associates sub Plot no. 10,11,12 FP No. 294,295,296. (4)</p> <p>Commercial const-cost ₹ 7 Lakhs, Celler no. 4,5,6 Tulsi shop and offices, Mithakali six road, Sub plot No. 10,11,12. (5)</p> <p>Commercial office 4th Floor 407 A, Prahladnagar Dev Aurum, Anand Nagar cross road. (6)</p> <p>Residential Plot (Lower value plus 10% markup considered) Plot no. 47 A ,Off spring road, Applewoods. (e). personal guarantee of directors and others - Rakesh Vallabhai Swadia; Manisha Devarshi Swadia; Devarshi Rakesh Swadia; Raju Mishra and Nita Rakesh Swadia</p>	
4.	India Bulls Housing	78.29	Purchase of Property	71.89	13.00%	Mortgage of Office Premises situated at	Payable in 167 monthly



Sr. No.	Name of the Lender	Sanction Amount	Purpose	Amount O/s as on March 31, 2018	Interest Rate per annum	Security	Period & Repayment Schedule
	Limited		(Commercial Loan)			A-407, Dev Aurum, Showroom and Office, Anandnagar Cross Road, Opposite, Madhur Hall, 100 Ft. Road, Prahladnagar, Ahmedabad-382110.	installments of ₹ 1,01,623/- commencing from August 5, 2015
5.	India Bulls Housing Finance Limited	68.42	Purchase of Property (Commercial Loan)	62.84	13.00%	Mortgage of Office Premises situated at A-408, Dev Aurum, Showroom and Office, Anandnagar Cross Road, Opposite, Madhur Hall, 100 Ft. Road, Prahladnagar, Ahmedabad-382110.	Payable in 167 monthly installments of ₹ 88,819/- commencing from August 5, 2015
6.	Duetche Bank	50.00	Business Loan	36.77	12.75%	NIL	Payable in 36 monthly installments of ₹ 1,67,868/- commencing from May 5, 2017
7.	Bajaj Finserv Limited	30.00	Business Loan	10.62	19.24%	NIL	Payable in 36 monthly installments of ₹ 1,41,621/- commencing from July 2, 2016
8.	Capital First Limited	30.00	Business Loan	16.91	8.19%	NIL	Payable in 36 monthly installments of ₹ 1,54,372/- commencing from May 5, 2017
9.	Edelweiss Retail Finance Limited	40.08	Business Loan	33.13	17.00%	NIL	Payable in 48 monthly installments of ₹ 1,15,665/- commencing from April 5, 2017
10.	Magma Fincorp Limited	25.00	Business Loan	18.62	16.50%	NIL	Payable in 36 monthly installments of ₹ 88,512/- commencing from May 7, 2017
11.	Religare Finvest Ltd. (Hspl)	17.17	Business Loan	0.95	Floating	NIL	Payable in 36 monthly installments commencing from September 1, 2015
12.	Shriram City Union	25.00	Business Loan	14.57	8.63%	NIL	Payable in 24 monthly installments of ₹

Sr. No.	Name of the Lender	Sanction Amount	Purpose	Amount O/s as on March 31, 2018	Interest Rate per annum	Security	Period & Repayment Schedule
	Finance Limited						1,24,810/- commencing from May 5, 2017
13.	Aditya Birla Finance Limited	30.00	Business Loan	29.77	19.59%	NIL	Payable in 36 monthly installments of ₹ 1,78,918/- commencing from May 5, 2018
14.	Avanse Financial Services Limited	30.10	Business Loan	30.10	18.5%	NIL	Payable in 24 monthly installments of ₹ 1,51,000/- commencing from April, 2018
15.	Bajaj Finserv Limited	22.90	Business Loan	0.55	-	NIL	Payable in 36 monthly installments commencing from July 2, 2015
16.	Bajaj Finserv Limited	23.00	Business Loan	23.00	18.43%	NIL	Payable in 36 monthly installments of ₹ 1,05,838/- commencing from April 2, 2018
17.	Capital First Limited	23.46	Business Loan	23.46	7.44%	NIL	Payable in 36 monthly installments of ₹ 1,31,535/- commencing from May 2, 2018
18.	India Infoline Finance Limited	25.00	Business Loan	24.99	1.62%	NIL	Payable in 36 monthly installments of ₹ 1,50,359/- commencing from May 3, 2018
19.	ICICI Bank Limited	23.00	Personal Loan	17.08	15.75%	NIL	Payable in 36 monthly installments of ₹ 80,404/- commencing from May 10, 2017
20.	Indusind Bank Limited	25.00	Business Loan	24.99	18.51%	NIL	Payable in 24 monthly installments of ₹ 1,21,277/- commencing from May 4, 2018
21.	HDFC Bank Limited	20.00	Business Loan	14.83	15.50%	NIL	Payable in 36 monthly installments of ₹ 69,821/- commencing from May 4, 2017
22.	IVL Finance	25.30	Business	N.A.	19.00%	NIL	24 Monthly

Sr. No.	Name of the Lender	Sanction Amount	Purpose	Amount O/s as on March 31, 2018	Interest Rate per annum	Security	Period & Repayment Schedule
	Limited		Installment Loan				Installment commencing from May 5, 2018
23.	Magma Fincorp Limited	20.00	Business Loan	N.A.	19.10%	NIL	24 Monthly Installment commencing from May 7, 2018
24.	RBL Bank Limited	20.00	Business Loan	N.A.	18.92%	NIL	24 Monthly Installment commencing from May 5, 2018

#### EXPORTS & EXPORTS OBLIGATIONS

We have not exported our services and products and as on date of this Draft Prospectus there is no export obligation on our company.

## KEY INDUSTRY REGULATIONS AND POLICIES

*The statements produced below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions and may not be exhaustive, and are only intended to provide general information to investors and is neither designed nor intended to be a substitute for professional legal advice. 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.*

We are subject to a number of Central and State legislations which regulate substantive and procedural aspects of the business. Additionally, the business activities of our Company require sanctions, approval, license, registration etc. from the concerned authorities, under the relevant Central and State legislations and local bye-laws. For details of Government and Other Approvals obtained by the Company in compliance with these regulations, see section titled “Government and Other Approvals” beginning on page no. 180 of this Draft Prospectus. The following description is a summary of the few relevant regulations and policies as prescribed by the Government of India, and the respective bye laws framed by the local bodies, and others incorporated under the laws of India.

### STATUTORY LEGISLATIONS

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

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

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

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

The act deals with incorporation of companies and the procedure for incorporation and post incorporation. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the act. The provision of this act shall apply to all the companies incorporated either under this act or under any other previous law. It shall also apply to banking companies, companies engaged in generation or supply of electricity and any other company governed by any special act for the time being in force.

Further, Schedule V (read with sections 196 and 197), Part I lay down conditions to be fulfilled for the appointment of a managing or whole time director or manager. It provides the list of acts under which if a person is prosecuted he cannot be appointed as the director or Managing Director or Manager of the firm. The provisions relating to remuneration payable to the directors by the companies is provided under Part II of the said schedule.

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

The Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“SHWPPR Act”) provides for protection against sexual harassment at the workplace to women and prevention and redressal of complaints of sexual harassment. The SHWPPR Act defines “Sexual Harassment” to include any unwelcome sexually determined behavior (whether directly or by implication). “Workplace” under the SHWPPR Act has been defined widely to include government bodies, private and public sector organizations, non-governmental organizations, organizations carrying on commercial, vocational, educational, entertainment, industrial, financial activities, hospitals and nursing homes, educational institutes, sports institutions and stadiums used for training individuals. The SHWPPR Act requires an employer to set up an “Internal Complaints Committee” at each office or branch, of an organization employing at least 10 employees. The Government in turn is required to set up a “Local Complaint Committee” at the district level to

investigate complaints regarding sexual harassment from establishments where our internal complaints committee has not been constituted.

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

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

### **Micro, Small and Medium Enterprises Development Act, 2006**

The Micro, Small and Medium Enterprises Development Act, 2006 as amended from time to time (“MSMED Act”) seeks to facilitate the development of micro, small and medium enterprises. The Union Cabinet has approved amendment to Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 for classifying MSMEs from current investment in plant and machinery criteria to annual turnover criteria. The purpose of amendment to Section 7 of MSMED Act, 2006 is to encourage ease of doing business, make MSME classification norms growth oriented and align them to new indirect tax regime revolving around Goods & Services Tax (GST). This will define units producing goods and rendering services in terms of annual turnover. It will pave the way for increased direct and indirect employment in the MSE sector of the country.

- a. where the annual turnover does not exceed Rupees Five Crore, an enterprise shall be regarded as a micro enterprise;
- b. where the annual turnover is more than Rupees Five Crore but does not exceed Rupees Seventy Five Crore, an enterprise shall be regarded as a small enterprise;
- c. where the annual turnover is more than Rupees Seventy Five Crore but does not exceed Rupees Two Hundred Fifty Crore, an enterprise shall be regarded as a medium enterprise

The amendment empowers Central Government to vary turnover limits, provided not exceeding thrice the limits specified in Section 7 of MSMED Act by issuing notification.

The MSMED Act provides for the memorandum of micro, small and medium enterprises to be submitted by the relevant enterprises to the prescribed authority. The submission of the memorandum by micro and small and medium enterprises engaged in rendering services is optional. The MSMED Act defines a supplier to mean a micro or small enterprise that has filed a memorandum with the concerned authorities in accordance with Section 8 of the MSMED Act. The MSMED Act ensures that the buyer of goods or services makes payment for the goods supplied or services rendered to him immediately or before the date agreed upon between the buyer and supplier. The MSMED Act provides that the agreed period cannot exceed forty five days from the day of acceptance of goods or services. The MSMED Act also stipulates that in case the buyer fails to make payment to the supplier within the agreed period, then the buyer will be liable to pay compound interest at three times of the bank rate notified by the Reserve Bank of India from the date immediately following the date agreed upon. The MSMED Act also provides for the establishment of the Micro and Small Enterprises Facilitation Council (“Council”). The Council has jurisdiction to act as an arbitrator or conciliator in a dispute between the supplier located within its jurisdiction and a buyer located anywhere in India.

## **TAX RELATED LEGISLATIONS**

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

Income Tax Act, 1961 is applicable to every Domestic / Foreign Company whose income is taxable under the provisions of this Act or Rules made under it depending upon its “Residential Status” and “Type of Income” involved. U/s 139(1) every Company is required to file its Income tax return for every Previous Year by 30th September of the Assessment

Year. Other compliances like those relating to Tax Deduction at Source, Fringe Benefit Tax, Advance Tax, Minimum Alternative Tax and like are also required to be complied by every Company.

### **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.

### **Goods and Service Tax (GST)**

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as the Constitution (One Hundred and First Amendment) Act 2017 and is governed by the GST Council. A destination based consumption tax GST would be a dual GST with the center and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made there under.

Every person liable to take registration under these Acts shall do so within a period of 30 days from the date on which he becomes liable to registration. The Central/State authority shall issue the registration certificate upon receipt of application. The Certificate shall contain fifteen digit registration numbers known as Goods and Service Tax Identification Number (GSTIN). In case a person has multiple business verticals in multiple locations in a state, a separate application will be made for registration of each and every location. The registered assessee is then required to pay GST as per the rules applicable thereon and file the appropriate returns as applicable thereon.

GST has replaced the following indirect taxes and duties at the central and state levels:

Central Excise Duty, Duties of Excise (Medicinal and Toilet Preparations), additional duties on excise – goods of special importance, textiles and textile products, commonly known as CVD – special additional duty of customs, service tax, central and state surcharges and cesses relating to supply of goods and services, state VAT, Central Sales Tax, Luxury Tax, Entry Tax (all forms), Entertainment and Amusement Tax (except when levied by local bodies), taxes on advertisements, purchase tax, taxes on lotteries, betting and gambling. It is applicable on all goods except for alcohol for human consumption and five petroleum products.

GST council has mandated the implementation of e way bill under GST from April 1, 2018 for interstate movement and from 1st June 2018 for Intra- state Movement of Goods. The E-Way Bill under the GST Regime replaces the Way Bill which was required under the VAT Regime for the movement of Goods. The way bill under the VAT Regime was a physical document which was required to be generated for the movement of goods. The physical document under the VAT Regime has now been replaced with an electronically generated document in the GST Regime.

EWay Bill is an electronic way bill for movement of goods which can be generated on the e-way Bill Portal. Transport of goods of more than ₹ 50,000 (Single Invoice/bill/delivery challan) in value in a vehicle cannot be made by a registered person without an e-way bill. When an e-way bill is generated a unique e-way bill number (EBN) is allocated and is available to the supplier, recipient, and the transporter.

A Registered person or the transporter may choose to generate and carry e-way bill even if the value of goods is less than ₹ 50,000.

The requirement of e-way bills for movement of goods within the States /UT will start from 15th April 2018 in a phased manner by grouping the States/UT into four lots. GST Council in the coming days shall announce this arrangement.

### **Value Added Tax (“VAT”)**



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

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

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

## **GENERAL LEGISLATIONS**

### **The Sale of Goods Act, 1930 (Sale of Goods)**

The law relating to the sale of goods is codified in the Sale of Goods Act, 1930. It defines sale and agreement to sell as a contract whereby the seller transfers or agrees to transfer the property in goods to the buyer for a price and provides that there may be a contract of sale between part owner and another and that the contract of sale may be absolute or conditional. According to the provisions of this Act, a contract of sale is made by an offer to buy or sell the goods for a price and the acceptance of such offer. The Act further provides that the contract may provide for the immediate delivery of the goods or immediate payment of the price or both or for the delivery or payment by instalments or that the delivery or payment or both shall be postponed. Provisions are made in this Act for existing or future goods, perishable goods, ascertainment of price, conditions and warranties, effects of the contract, delivery to courier, duties of seller and buyer, buyer’s right of examining the goods, liability of buyer for neglecting or refusing the delivery of goods, rights of unpaid seller, suits for breach of the contract, sale, etc.

### **The Arbitration and Conciliation Act, 1996**

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

### **The Competition Act, 2002**

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

case of a merger or amalgamation.

### **The Consumer Protection Act, 1986 (COPRA)**

The Consumer Protection Act, 1986 (COPRA) provides better protection to the interests of consumers. This is enabled with the establishment of consumer councils and other authorities for the settlement of consumers' disputes and matters connected therewith. COPRA protects the consumers against any unfair/restrictive trade practice that has been adopted by any trader or service provider or if the goods purchased by him suffer from any defect or deficiency. In case of consumer disputes, the same can be referred to the redressal forums set up by the government such as the National Commission, the State Commission and the District Forums. Such redressal forums have the authority to grant the following reliefs, that is, removal of defects, replacement of goods, compensation to the consumer, etc. The COPRA provides for a three tier consumer grievance redressal mechanism at the national, state and district levels.

### **Shops and Establishments legislations in various States**

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

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

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

### **Transfer of Property Act, 1882 ("TP Act")**

The transfer of property, including immovable property, between living persons, as opposed to the transfer property by operation of law, is governed by the TP Act. The TP 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 Indian Stamp Act, 1899**

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

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

The Specific Relief Act, 1963 is complimentary to the provisions of the Contract Act and the Transfer of Property 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.

### **Negotiable Instruments Act, 1881**

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

## **OTHER APPLICABLE LAWS**

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

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

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 funds mentioned above, in the manner specified in the EPF Act. 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 require to be made under the above-mentioned schemes.

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

The Payment of Bonus Act, 1965, as amended from time to time ("Bonus Act"), provides for payment of bonus based on profit or based on production or productivity, to persons employed in factories or in establishments employing 20 (twenty) or more persons on any day during an accounting year. It ensures that a minimum bonus is payable to every employee regardless of whether the employer has any allocable surplus in the accounting year in which the bonus is payable. Under the Bonus Act, the employer is bound to pay to every employee, in respect of the accounting year, a minimum bonus equal to 8.33% of the salary or wage earned by the employee during the accounting year or Rupees Hundred, whichever is higher. 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 bonus is defined as 67% of available surplus in the financial year, before making arrangements for the payment of dividend out of profit of the Company.

### **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 Apprentices Act, 1961**

The Apprentices Act, 1961, as amended (the "Apprentices Act") regulates and controls the programme of training of apprentices and matters connected there with. The term "Apprentice" means a person who is undergoing apprenticeship training in pursuance of a contract of apprenticeship. "Apprenticeship Training" means a course of training in any industry or establishment undergone in pursuance of a contract of apprenticeship and under prescribed terms and conditions which may be different for different categories of apprentices. Every person engaging as an apprentice is required to enter into a contract of apprenticeship with the employer which is reviewed and registered by the apprenticeship advisor.

### **The Workmen Compensation Act, 1923 ("WCA")**

The Workmen Compensation Act, 1923 has been enacted with the objective to provide for the payment of compensation to workmen by employers for injuries by accident arising out of and in the course of employment, and for occupational

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

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

The Maternity Benefit Act, 1961, as amended from time to time (“Maternity Benefit Act”), is aimed at regulating the employment of women in certain establishments for certain periods before and after child birth and for providing for maternity benefit and certain other benefits. The Maternity Benefit (Amendment) Bill 2016 (the “Amendment Bill”), an amendment to the Maternity Benefit Act, 1961 (“Act”), was passed in Lok Sabha on March 09, 2017, in Rajya Sabha on August 11, 2016 and received an assent from President of India on March 27, 2017.

It applies to all establishments which are factories, mines, plantations, Government establishments, shops and establishments under the relevant applicable legislations, or any other establishment as may be notified by the Central Government. As per the Act, to be eligible for maternity benefit, a woman must have been working as an employee in an establishment for a period of at least 80 days in the past 12 months. In amended act, the period of paid maternity leave (“Maternity Benefit”) that a woman employee is entitled to has been increased to 26 (twenty six) weeks. Further, the Act previously allowed pregnant women to avail Maternity Benefit for only 6 (six) weeks prior to the date of expected delivery. Now, this period is increased to 8 (eight) weeks. Maternity benefit of 26 weeks can be extended to women who are already under maternity leave at the time of enforcement of this Amendment.

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### **Child Labour (Prohibition and Regulation) Act, 1986**

The Child Labour (Prohibition & Regulation) Act, 1986, as amended from time to time (“Child Labour Act”) was enacted to prohibit the engagement of children below the age of fourteen years in certain specified occupations and processes and to regulate their conditions of work in certain other employments. No child shall be required or permitted to work in any establishment in excess of such number of hours, as may be prescribed for such establishment or class of establishments. Every child employed in an establishment shall be allowed in each week, a holiday of one whole day, which day shall be specified by the occupier in a notice permanently exhibited in a conspicuous place in the establishment and the occupier shall not alter the day so specified more than once in three months.

### **Other Laws**

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

## HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was originally incorporated as “Ranjeet Electric Private Limited” at Ahmedabad on June 10, 1993, under the provisions of the Companies Act, 1956 vide Certificate of Incorporation issued by the Assistant Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Later on, the name of our Company was changed from “Ranjeet Electric Private Limited” to “Ranjeet Mechatronics Private Limited” and certificate to that effect was issued by Deputy Registrar of Companies, Registrar of Companies, Ahmedabad on February 3, 2016. Subsequently, consequent up on the conversion of our Company from Private Company to Public Company, the name of our Company was changed to “Ranjeet Mechatronics Limited” and fresh Certificate of Incorporation dated May 28, 2018 was issued by the Deputy Registrar of Companies, Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U31100GJ1993PLC019635.

### COMPANY'S BACKGROUND

In the year 1949, Late Shree Vallabbhai B. Swadia, father of one of our Promoter Mr. Rakesh V. Swadia, established a firm called M/s. Ranjeet Electric and Engineering Corporation. The firm was established post independence as authorised distributors of companies engaged in the irrigation system. The firm was basically authorized dealer of electric motor pumps and related spares. Mr. Rakesh Swadia joined the business of his father at an early age and started understanding the business gimmicks.

Later on, the firm tied up with Kirloskar Brothers Limited and became the authorized dealer of various electric products especially electric motors pump sets and spares and also tied up with Kirloskar Oil Engines Limited.

In the year 1993, to give a corporate shape to the firm, Late Vallabbhai Swadia along with his wife, Late Mrs. Shantaben Vallabbhai Swadia and Mr. Indukant V. Swadia incorporated our company - Ranjeet Electric Private Limited (“REPL”) at Ahmedabad. The company was incorporated with the main object to carry on the business of electrical and electrical mechanical engineers and sell supply, establish, fix and carry out and deal in industrial pumps, diesel engines, electrical motors and equipments etc.

Initially, we have obtained distributorship of agricultural engines, Industrial engines and marine engines from Kirloskar in the name of REPL. We were selling wide range of Domestic and Agriculture pumps, Industrial pumps, Customized and Engineered pumps, Motors, Alternators, Diesel engines which includes Domestic monoblock pumps, Borewell submersible pumps, Open well submersible pumps, End suction Bareshaft pumps, Horizontal multistage pumps, Vertical multistage pumps, Marine diesel engines, diesel generators sets etc. Our company continuously progressed by officially marketing the said products in the rural, urban as well as various industrial sectors of Gujarat.

In the year 2006-07, our company was awarded by Kirloskar Brother Limited for achieving 2<sup>nd</sup> highest sales turnover in Ahmedabad Region. In the year 2009, as per government rules and regulations in high rise buildings, malls and industries fire pumps and fire engines were mandatory to be installed for public safety. We have been awarded the distributorship of fire pumps & fire engines of Kirloskar. Ranjeet Electric Private Limited became the new name for new age fire solutions. Our fire solution specializes as a system integrator; our expertise is to provide end to end solution in the design, implementation, management and operational support for technology – based security and fire fighting solutions. In the year 2010, our company has also tied up with Mather and Platt Pumps Limited for distribution of various customized and engineered pumps, motors and accessories.

In the year 2012, our existing promoters Mr. Rakesh Swadia, Mr. Devarshi Swadia along with relatives floated the company called “Himgiri Solutions Private Limited” (“HSPL”) with the main object to carry the business of providing various essential building services such as mechanical, plumbing, fire fighting, electrical safety security etc. In the year 2013, HSPL has been awarded a work contract of sewage treatment plant, pumping system including water softening and water distribution system at Nashik Airport.

In the year 2013, our existing promoters Mr. Rakesh Swadia, Mr. Devarshi Swadia along with relatives and others floated one more company called “Destiny Zone Security Systems Private Limited” (“DZSSPL”). In the year 2013-14, DZSSPL has been awarded a contract of approximately ₹ 10 crores (rupees Ten Crores) from NCC Limited at Vardhaman Institute of Medical Science for Design, Supply, Transportation, Installation, Testing, Commissioning related to fire hydrant system, sprinkler system, fire Extinguishers, fire pumps, gas based fire Suppression system.

On January 1, 2015, our Board of Directors approved a scheme of amalgamation under Sections 391 to 394 of the Companies Act, 1956 for amalgamation of Himgiri Solutions Private Limited and Destiny Zone Security Systems Private Limited with our Company, with the appointed date as April 1, 2014. The Hon’ble High Court of Gujarat at Ahmedabad, vide their Common Oral Order dated December 10, 2015, has sanctioned the scheme of amalgamation. As required under the Companies Act, 1956, the copy of the Common Oral Order was filed with the Registrar of Companies, Ahmedabad on January 20, 2016 and the same shall be considered as Effective Date. From the effective date (as defined under the

scheme of amalgamation), the entire business and undertaking of Himgiri Solutions Private Limited and Destiny Zone Security Systems Private Limited including all their assets, liabilities, duties, and obligations transferred to our company.

At present, we are providing specialized firefighting solutions as a system integrator. Our expertise is to provide end to end solution in the installation, designing, commission, testing, implementation, management and operational support for technology – based security and fire solutions.

#### REGISTERED OFFICE:

Registered Office of the Company is presently situated at Block A, 407-4th Floor, Dev Aurum, Anand Nagar Cross Road, Prahladnagar Road, Ahmedabad – 380 015. The Registered office of our Company has been changed from time to time since incorporation, details of which are given hereunder:

Date of Change of Registered office	Registered Office	
On Incorporation	Tulsi, 2 <sup>nd</sup> Floor, Mithakhali Six Road, Ahmedabad – 380 006.	
	Changed from	Changed to
September 25, 2000	213/214, Tulsi, 2 <sup>nd</sup> Floor, Mithakhali Six Road, Navarangpura, Ahmedabad – 380 006.	B-41, Shantasagar, 4 <sup>th</sup> Floor, Darpan Six Road, Post Navjeevan, Ahmedabad – 380 014.
August 1, 2002	B-41, Shantasagar, 4 <sup>th</sup> Floor, Darpan Six Road, Post Navjeevan, Ahmedabad – 380 014.	9 <sup>th</sup> Floor, B D Patel House, Near Sardar Patel Colony, Navarangpura, Ahmedabad – 380 013.
December 1, 2003	B D Patel House, 9 <sup>th</sup> Floor, Near Sardar Patel Colony, Navarangpura, Ahmedabad – 380 013.	213-214, Tulsi, 2 <sup>nd</sup> Floor, Nr. Mithakhali Six Road, Navrangpura, Ahmedabad – 380 009.
June 2, 2008	213-214, Tulsi, 2 <sup>nd</sup> Floor, Nr. Mithakhali Six Road, Navrangpura, Ahmedabad – 380 009.	201/A, Asavari Towers, B/h, Fun Republic, Off. S. G. Highway, Ahmedabad – 380 015
May 28, 2018	201/A, Asavari Towers, B/h, Fun Republic, Off. S. G. Highway, Ahmedabad – 380 015	Block A, 407-4th Floor, Dev Aurum, Anand Nagar Cross Road, Prahladnagar Road, Ahmedabad – 380 015

#### AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

##### Change of Name

Date of Approval	Particulars
February 3, 2016	Change of name of the Company from “Ranjeet Electric Private Limited” to “Ranjeet Mechatronics Private Limited”
May 28, 2018	Consequent upon conversion from Private Company to Public Company, the name of the Company was changed from “Ranjeet Mechatronics Private Limited” to “Ranjeet Mechatronics Limited”

##### Authorized Capital

The following changes have been made in the Authorized Capital of our Company since its inception:

Date of Amendment	Particulars
March 27, 2006	Increased in authorized capital from ₹ 5,00,000/- divided in to 50,000 Equity Shares of ₹ 10/- each to ₹ 30,00,000/- divided in to 70,000 Equity Shares of ₹ 10/- each and 2,30,000 Preference Shares of ₹ 10/- each.
September 8, 2008	Reclassification of Authorized Capital from ₹ 30,00,000/- divided in to 70,000 Equity Shares of ₹ 10/- each and 2,30,000 Redeemable Non-convertible Preference Shares of ₹ 10/- each to ₹ 30,00,000/- divided into 3,00,000 Equity Shares of ₹ 10/- each.
January 21, 2009	Increased in authorized capital from ₹ 30,00,000/- divided in to 3,00,000 Equity Shares of ₹ 10/- each to ₹ 45,00,000/- divided in to 4,50,000 Equity Shares of ₹ 10/- each.
November 23, 2015	Increased in authorized capital from ₹ 45,00,000/- divided in to 4,50,000 Equity Shares of ₹ 10/- each to ₹ 60,00,000/- divided in to 6,00,000 Equity Shares of ₹ 10/- each.
January 20, 2016 (Order Effect Date)	Increased in authorized capital from ₹ 60,00,000/- divided in to 6,00,000 Equity Shares of ₹ 10/- each to ₹ 62,00,000/- divided in to 6,20,000 Equity Shares of ₹ 10/- each pursuant to



Date of Amendment	Particulars
	Common Oral Oder No. O/48527/2015 dated December 10, 2015 passed by Hon'ble High Court of Gujarat sanctioning the Scheme of Amalgamation.
April 4, 2018	Increased in authorized capital from ₹ 62,00,000/- divided in to 6,20,000 Equity Shares of ₹ 10/- each to ₹ 6,70,00,000/- divided in to 67,00,000 Equity Shares of ₹ 10/- each.

#### Object Clause

Date of Amendment	Particulars
January 25, 2016	<p><b>Alteration of Object Clause by way of addition of following sub-clauses;</b></p> <ol style="list-style-type: none"> <li>To carry business as providers of various important &amp; essential building services such as Mechanical, plumbing, Fire Fighting, Low Voltage, Electrical Safety, Security, IBMS, CCTV, Energy Saving, consultancy services, Electrical and Green Building Solutions, conceptualizing, budgeting, designing, supplying, installing, testing, commissioning and maintaining Electrical, electronics and mechanical engineers and to manufacture all kinds of electrical/electronics machines and apparatus for any purpose whatsoever and to manufacture, sell, supply, lay down, establish, fix, carry out and deal in industrial pumps, valves, diesel engines, electrical motors, motorized machinery and equipments, DCIAC drives, monoblocks, generating sets, flexible couplings, spare parts, pipes made from various types of materials, hardware and other machineries, equipments of all types including fabrication and plants.</li> <li>To undertake and/or carryon anywhere in India or abroad all or any of the business of traders, buyers, sellers, exporters, importers, in debtors, agents, brokers, assemblers, stockiest distributors and dealers of and in all kind of electrical, electronics and engineering goods, materials, merchandise articles.</li> </ol> <p><b>In place of the then existing following sub-clauses;</b></p> <ol style="list-style-type: none"> <li>To carry on the business of electrical, electrical and mechanical engineers and to manufacture all kinds of electrical machines and electrical apparatus for any purpose whatsoever and to manufacture, sell, supply, lay down, establish, fix, carry out and deal in industrial pumps, valves, diesel oil engineers, electrical motors, motorized machinery and equipments, DC/AC Drives, monoblocks, generating sets, flexible couplings, spare parts, pipes made from various types of materials, hardware and other machineries, equipments of all types including fabrications and plants.</li> <li>To undertake and/or carry on anywhere in India or abroad all or any of the business of traders, buyers, sellers, exporters, importers, indebtors, agents, brokers, assemblers, stockists, distributors and dealers of and in all kind of electrical and engineering goods, materials, merchandise articles.</li> </ol>
May 14, 2018	<p><b>Alteration in Clause III –Object Clause by way of;</b></p> <p>A. <i>Substitution of heading of Clause III(A) as follows;</i></p> <p>THE OBJECT TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:</p> <p>B. <i>Substitution of heading of Clause III(B) as follows;</i></p> <p>MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE (III)(A):</p> <p>C. <i>Merging of Sub-Clause 1 and Sub-Clause 2 of existing Clause III(A) of Memorandum of Association of the Company as follows;</i></p> <p>To carry business as providers of various important &amp; essential building services such as Mechanical, plumbing, Fire Fighting, Low Voltage, Electrical Safety, Security, IBMS, CCTV, Energy Saving, consultancy services, Electrical and Green Building Solutions,</p>

Date of Amendment	Particulars
	<p>conceptualizing, budgeting, designing, supplying, installing, testing, commissioning and maintaining Electrical, electronics and mechanical engineers and to manufacture all kinds of electrical/electronics machines and apparatus for any purpose whatsoever and to manufacture, sell, supply, lay down, establish, fix, carry out and deal in industrial pumps, valves, diesel engines, electrical motors, motorized machinery and equipments, DCIAC drives, monoblocks, generating sets, flexible couplings, spare parts, pipes made from various types of materials, hardware and other machineries, equipments of all types including fabrication and plants and to undertake and/or carry on anywhere in India or abroad all or any of the business of traders, buyers, sellers, exporters, importers, in debtors, agents, brokers, assemblers, stockiest distributors and dealers of and in all kind of electrical, electronics and engineering goods, materials, merchandise articles.</p> <p><i>D. Deletion of Other Object Clause III(C)</i></p> <p>The other objects clause (III)(C) comprising of clause 1 to 26 be deleted.</p>

## MAJOR EVENTS

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

Financial Year	Events
1993-94	Our Company was incorporated as “Ranjeet Electric Private Limited” at Ahmedabad.
2006-07	Our company was awarded by Kirloskar Brother Limited for achieving 2 <sup>nd</sup> highest sales turnover in Ahmedabad Region.
2009-10	Our company has tied up with Mather and Platt Pumps Limited for distribution of various customized and engineered pumps, motors and accessories.
2015-16	Amalgamation of Hingiri Solutions Private Limited and Destiny Zone Security Systems Private Limited with our Company, with the appointed date as April 1, 2014 pursuant to the Common Oral Order dated December 10, 2015 passed by the Hon’ble High Court of Gujarat at Ahmedabad.
	Change of name of the Company from “Ranjeet Electric Private Limited” to “Ranjeet Mechatronics Private Limited”
2018-19	Consequent upon conversion from Private Company to Public Company, the name of the Company was changed from “Ranjeet Mechatronics Private Limited” to “Ranjeet Mechatronics Limited”

## SUBSIDIARIES/HOLDINGS OF THE COMPANY

Our Company does not have any holding company and nor it has any subsidiary company/(ies).

## RAISING OF CAPITAL IN FORM OF EQUITY

For details of increase in equity capital of our company please refer section “Capital Structure” on page no. 38 of this Draft Prospectus.

## INJUNCTION AND RESTRAINING ORDER

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

## MANAGERIAL COMPETENCE

For managerial Competence, please refer to the section “Our management” on Page no. 111 of this Draft Prospectus.

## ACQUISITIONS / AMALGAMATIONS / MERGERS/ REVALUATION OF ASSETS

On January 1, 2015, our Board of Directors approved a scheme of amalgamation under Sections 391 to 394 of the Companies Act, 1956 for amalgamation of Hingiri Solutions Private Limited and Destiny Zone Security Systems Private Limited with our Company, with the appointed date as April 1, 2014. A petition under Section 391 to 394 of the Companies Act, 1956 was admitted by Hon’ble High Court of Gujarat at Ahmedabad.

The Hon'ble High Court of Gujarat at Ahmedabad, vide their Common Oral Order dated December 10, 2015, has sanctioned the scheme of amalgamation. As required under the Companies Act, 1956, the copy of the Common Oral Order was filed with the Registrar of Companies, Ahmedabad on January 20, 2016 and the same shall be considered as Effective Date. From the effective date, the entire business and undertaking of Himgiri Solutions Private Limited and Destiny Zone Security Systems Private Limited including all their assets, liabilities, duties, and obligations shall be transferred to our Company.

In accordance with the scheme of amalgamation, the authorized share capital of Himgiri Solutions Private Limited and Destiny Zone Security Systems Private Limited was added to the authorized share capital of our Company and our Company has issued and allotted 8 fully paid up equity shares of ₹ 10/- each for each 1 equity share held in Himgiri Solutions Private Limited and 2 fully paid up equity shares of ₹ 10/- each for each 1 equity share held in Destiny Zone Security Systems Private Limited.

Further, our Company has not revalued its assets since Incorporation of the Company.

#### **TOTAL NUMBER OF SHAREHOLDERS OF OUR COMPANY**

As on the date of filing of this Draft Prospectus, the total numbers of equity shareholders are 12 (Twelve). For more details on the shareholding of the members, please see the section titled "Capital Structure" at page no. 38 of this Draft Prospectus.

#### **MAIN OBJECTS AS SET OUT IN THE MEMORANDUM OF ASSOCIATION OF THE COMPANY**

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

*To carry business as providers of various important & essential building services such as Mechanical, plumbing, Fire Fighting, Low Voltage, Electrical Safety, Security, IBMS, CCTV, Energy Saving, consultancy services, Electrical and Green Building Solutions, conceptualizing, budgeting, designing, supplying, installing, testing, commissioning and maintaining Electrical, electronics and mechanical engineers and to manufacture all kinds of electrical/electronics machines and apparatus for any purpose whatsoever and to manufacture, sell, supply, lay down, establish, fix, carry out and deal in industrial pumps, valves, diesel engines, electrical motors, motorized machinery and equipments, DCIAC drives, monoblocks, generating sets, flexible couplings, spare parts, pipes made from various types of materials, hardware and other machineries, equipments of all types including fabrication and plants and to undertake and/or carry on anywhere in India or abroad all or any of the business of traders, buyers, sellers, exporters, importers, in debtors, agents, brokers, assemblers, stockiest distributors and dealers of and in all kind of electrical, electronics and engineering goods, materials, merchandise articles.*

#### **SHAREHOLDERS' AGREEMENTS**

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

#### **OTHER AGREEMENTS**

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

#### **STRATEGIC PARTNERS**

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

#### **FINANCIAL PARTNERS**

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

## OUR MANAGEMENT

In accordance with our Articles of Association, our Company is required to have not less than 3 (three) directors and not more than 15 (fifteen) directors. Our Company currently has 5 (Five) directors on our Board out of which 2 (Two) are Executive Directors, 1 (One) is Non-Executive Director and 2 (Two) are Additional (Independent) Directors.

- |                                   |                                   |
|-----------------------------------|-----------------------------------|
| 1. Mr. Rakesh Vallabhbbhai Swadia | Chairman Cum Managing Director    |
| 2. Mr. Devarshi Rakesh Swadia     | Whole-Time Director               |
| 3. Mrs. Nitaben Rakesh Swadia     | Non-Executive Director            |
| 4. Mr. Jayanta Kumar Pani         | Additional (Independent) Director |
| 5. Mr. KunalSudhirbhai Shah       | Additional (Independent) Director |

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

MR. RAKESH VALLABHBHAI SWADIA	
<b>Father's Name</b>	Mr. VallabhbbhaiSwadia
<b>Address</b>	A/201, Asavari Tower, B/H Fun Republic, S.G. Highway, Ambawadi, Vistar, Gujarat – 380015.
<b>Age</b>	58 years
<b>Designation</b>	Chairman Cum Managing Director
<b>Status</b>	Executive & Non Independent
<b>DIN</b>	00356657
<b>Occupation</b>	Business
<b>Nationality</b>	Indian
<b>Qualification</b>	Completed First Year Bachelor of Commerce (B.Com) in the Year 1980.
<b>No. of Years of Experience</b>	Professional Experience of more than 35 Years in the same Business Industry in which Company operates, Industry of Industrial Pumps, Electric Motors, and Diesel Generating Sets
<b>Date of Appointment</b>	<b>Initial:</b> Appointed as Additional Director of the Company in April 04, 1994 and then re-designated as Managing Director of the Company w.e.f. March 27, 2006*. <b>Present:</b> Re-Designated as Chairman Cum Managing Director w.e.f. May 28, 2018 for 5 Years.
<b>Term of Appointment</b>	Holds office for a period of 5 years i.e. up to May 27, 2023, appointment. Liable for retire by rotations.
<b>Other Directorships</b>	-
MR. DEVARSHI RAKESH SWADIA	
<b>Father's Name</b>	Mr. Rakesh Vallabhbbhai Swadia
<b>Address</b>	A/201, Asavari Tower, B/H Fun Republic, S.G. Highway, Ambawadi, Vistar, Gujarat – 380015.
<b>Age</b>	34 Years
<b>Designation</b>	Whole Time Director
<b>Status</b>	Executive & Non Independent
<b>DIN</b>	00356752
<b>Occupation</b>	Business
<b>Nationality</b>	Indian
<b>Qualification</b>	Bachelor of Business Administration (B.B.A.) from Gujarat University in the year 2004.
<b>No. of Years of Experience</b>	Professional Experience of more than 13 Years in the same Business Industry in which Company Operates i.e. Industry of Industrial Pumps, Electric Motors, and Diesel Generating Sets.
<b>Date of Appointment</b>	<b>Initial:</b> Appointed as Additional Director of the Company in December 01, 2003** <b>Present:</b> Re-Designated as Whole-Time Director w.e.f. May 28, 2018 for 5 Years.
<b>Term of Appointment</b>	Holds office for a period of 5 years i.e. up to May 27, 2023, liable for retirement by rotations.
<b>Other Directorships</b>	Mepalleaf Liquor Private Limited
MRS. NITABEN RAKESH SWADIA	
<b>Father's Name</b>	Mr. Shankerlal Guru
<b>Address</b>	A/201, Asavari Tower, B/H Fun Republic, S.G. Highway, Ambawadi, Vistar, Gujarat – 380015.
<b>Age</b>	56 years
<b>Designation</b>	Non-Executive Director

<b>Status</b>	Non-Executive & Non Independent
<b>DIN</b>	00356722
<b>Occupation</b>	Business
<b>Nationality</b>	Indian
<b>Qualification</b>	Completed First Year Bachelor of Commerce (B.Com) from Gujarat University in the Year 1983.
<b>No. of Years of Experience</b>	19 years of experience in General Administration of Our Company.
<b>Date of Appointment</b>	<b>Initial:</b> Appointed as an Additional Director w.e.f. May 15, 1999***. <b>Present:</b> Re-Designated as Non-Executive Director w.e.f. May 28, 2018.
<b>Term of Appointment</b>	Liabile for retirement by rotations.
<b>Other Directorships</b>	-

#### MR. JAYANTA KUMAR PANI

<b>Father's Name</b>	Mr. HaribandhuPani
<b>Address</b>	F/104, Satva Near Shantivan Bus Stop, Paldi Ahmedabad, Gujarat – 380 007
<b>Age</b>	48 Years
<b>Designation</b>	Independent Director (Additional)
<b>Status</b>	Non – Executive & Independent
<b>DIN</b>	08038621
<b>Occupation</b>	Service
<b>Nationality</b>	Indian
<b>Qualification</b>	Member of Institute of Chartered Accountants of India and The Institute of Cost & Works Accountants of India
<b>No. of Years of Experience</b>	More than 20 Years of experience in Finance & Accountancy.
<b>Date of Appointment</b>	Appointed as Additional Non-Executive Independent Director w.e.f. June 21, 2018.
<b>Term of Appointment</b>	Holds office up to Ensuing Annual General Meeting.
<b>Other Directorships</b>	-

#### MR. KUNAL SUDHIRBHAI SHAH

<b>Father's Name</b>	Mr. Sudhirbhai Shah
<b>Address</b>	B-3, Aangan Appartment, Opposite Samarpan Flat, Gulbai Tekra, Ahmedabad – 380 006
<b>Age</b>	32 Years
<b>Designation</b>	Independent Director (Additional)
<b>Status</b>	Non – Executive & Independent
<b>DIN</b>	08177662
<b>Occupation</b>	Service
<b>Nationality</b>	Indian
<b>Qualification</b>	Bachelor in Technology in aviation Hospitality & Travel of Air hostess Training Management - 2008 from Frankfinn Institute of Air Hostess Training.
<b>No. of Years of Experience</b>	More than 9 Years of experience as a Visa Officer in VFS Global – Canada.
<b>Date of Appointment</b>	Appointed as Additional (Independent) Director w.e.f. July 12, 2018.
<b>Term of Appointment</b>	Holds office up to Ensuing Annual General Meeting.
<b>Other Directorships</b>	-

\*Form -32 for Regularization of Mr. Rakesh Vallabhbhai Swadia from Additional Director to Director and from Director to Managing Director is not available, Only Form 23 is available for passing of Ordinary Resolution of Appointment of Mr. Rakesh Vallabhbhai Swadia as Managing Director of the Company w.e.f. March 27, 2006.

\*\* Form 32 for Regularization of Mr. Devarshi Rakesh Swadia from Additional Director to Director is not available.  
 \*\*\* Form 32 for Regularization of Mrs. Nitaben Rakesh Swadia from Additional Director to Director is not available.

As on the date of this Draft Prospectus;

- A. None of the above mentioned Directors are on the RBI List of willful defaulters.
- B. None of the Promoters, persons forming part of our Promoter Group, our Directors or persons in control of our Company or our Company are debarred from accessing the capital market by SEBI.
- C. None of the Promoters, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- D. None of our Directors are/were director of any company whose shares were delisted from any stock exchange(s) up to the date of filling of this Draft Prospectus.
- E. None of our Directors are/were director of any company whose shares were suspended from trading by stock exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five years.
- F. In respect of the track record of the directors, there have been no criminal cases filed or investigations being undertaken with regard to alleged commission of any offence by any of our directors and none of our directors have been charge-sheeted with serious crimes like murder, rape, forgery, economic offence.

#### RELATIONSHIP BETWEEN THE DIRECTORS

There is no relationship between any of the Directors of our Company except the following relationship:-

Name of Director	Designation	Relation
Mr. Rakesh Vallabhbbhai Swadia	Chairman Cum Managing Director	Husband of our Non-Executive Director, Mrs. Nitaben Rakesh Swadia.
		Father of our Whole-Time Director, Mr. Devarshi Rakesh Swadia.
Mr. Devarshi Rakesh Swadia	Whole-Time Director	Son of our Chairman Cum Managing Director, Mr. Rakesh Vallabhbbhai Swadia.
		Son of our Non-Executive Director, Mrs. Nitaben Rakesh Swadia.
Mrs. Nitaben Rakesh Swadia	Non-Executive Director	Wife of our Chairman Cum Managing Director, Mr. Rakesh Vallabhbbhai Swadia.
		Mother of our Whole-Time Director, Mr. Devarshi Rakesh Swadia.

#### ARRANGEMENT AND UNDERSTANDING WITH MAJOR SHAREHOLDERS, CUSTOMERS, SUPPLIERS AND OTHERS

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

#### SERVICE CONTRACTS

None of our directors have entered into any service contracts with our company except for acting in their individual capacity as Chairman Cum Managing Director and/or Whole-Time Director and no benefits are granted upon their termination from employment other than the statutory benefits provided by our company.

Except statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including the directors and key Managerial personnel, are entitled to any benefits upon termination of employment.

#### BORROWING POWERS OF THE BOARD OF DIRECTORS

Our Articles, subject to the provisions of Section 180(1) (c) of the Companies Act, 2013, authorizes our Board, to raise or borrow and secure the payment of any sum or sums of money subject to the provisions of Section 180(1) (a) of the



Companies Act, 2013 for the business purposes of the Company. The shareholders of the Company, through a special resolution passed at the Extra-Ordinary General Meeting held on May 14, 2018 authorized our Board to borrow monies together with monies already borrowed by us up to ₹ 50 Crores (Rupees Fifty Crores Only) if the aggregate for the time being of the paid-up capital of the Company and its free reserves is less than ₹50Crore.

## BRIEF PROFILE OF OUR DIRECTORS

### Mr. Rakesh Vallabhbhai Swadia

Mr. Rakesh Vallabhbhai Swadia, aged 58 years is a Director of the Company since April 04, 1994 and has been re-designated as Chairman Cum Managing Director w.e.f. May 28, 2018. He has a Professional Experience of more than 35 Years in the same Industry in which Company operates i.e. in Industry of Industrial Pumps, Electric Motors, and Diesel Generating Sets. Under his guidance Company was appointed as sole distributors of country's leading manufacturer "Kirloskar Group". He will continue guiding the Company through his valuable experience.

### Mr. Devarshi Rakesh Swadia

Mr. Devarshi Rakesh Swadia, aged 34 years, holds Degree of Bachelor of Business Administration from Gujarat University. He has been handling and assisting his father in day to day Business Activities of the Company being a Director of the Company since December 01, 2003 and therefore has a Professional Experience of more than 13 Years in the Industry in which Company operates, i.e. Industry of Industrial Pumps, Electric Motors, and Diesel Generating Sets. He is re-designated as Whole-Time Director of the Company w.e.f. May 28, 2018, he will be handling Marketing Division of Company, day to day Planning, Co-ordination and Execution of Ongoing Projects and Future Projects of Company.

### Mrs. Nitaben Rakesh Swadia

Mrs. Nitaben Rakesh Swadia, aged 56 years, was appointed as Director of the Company on May 15, 1999. Being a Director of Company, she has 19 years of experience in handling general administration of the Company. Currently she has been re-Designated as Non-executive Director of the Company w.e.f. May 28, 2018.

### Mr. Jayanta Kumar Pani

Mr. Jayanta Kumar Pani, aged 48 Years is appointed as an Independent Director of the Company w.e.f. June 21, 2018. He is a Chartered Accountant and Cost & Work Accountant by Qualification. He has an Overall Professional Experience of more than 20 Years in field of Finance & Accountancy. He is a seasoned professional with consistent track record of achieving revenue, profit & business growth objectives within rapid-change environments. He cleared all subjects of Final Examination of Institute of Cost & Works Accountants of India in the Month of December 1995 and secured 18<sup>th</sup> All India Rank in the said examination. His Proficiency is in spearheading initiatives and corporate restructuring projects encompassing development of strategy, business valuation, financial analysis, tax structuring, due diligence, regulatory processes, negotiations & financing. He will guide the Company through his vast experience.

### Mr. Kunal Shah

Mr. Kunal Shah, aged 32 Years is appointed as an Independent director of the Company w.e.f. July 12, 2018. He has completed his Bachelor in Technology in aviation Hospitality & Travel of Air hostess Training Management from Frankfinn Institute of Air Hostess Training in the year 2008. He has More than 9 Years of experience being a Visa Officer in VFS Global-Canada.

## COMPENSATION AND BENEFITS TO THE CHAIRMAN CUM MANAGING DIRECTOR AND WHOLE-TIME DIRECTOR ARE AS FOLLOWS:

Name	Mr. Rakesh Vallabhbhai Swadia	Mr. Devarshi Rakesh Swadia
Designation	Chairman Cum Managing Director	Whole-Time Director
Date of Appointment/ Change in Designation	May 28, 2018	May 28, 2018
Period	5 Years	5 Years
Salary	₹2,50,000/- per month with increment upto 15% of basic salary every year (subject to the maximum limits as specified under the provisions of Schedule V of the Companies	₹2,00,000/- per month with increment upto 15% of basic salary every year (subject to the maximum limits as specified under the provisions of Schedule V of the Companies

Name	Mr. Rakesh Vallabhbhai Swadia	Mr. Devarshi Rakesh Swadia
	Act, 2013) for remaining period of his tenure as Chairman Cum Managing Director of the Company.	Act, 2013) for remaining period of his tenure as Whole-Time Director of the Company.
Perquisite/Benefits	Other Perquisites that may be paid apart from the basic salary: Contribution to provident fund, superannuation fund or annuity fund as per the permissible limits under the applicable laws. Encashment of leave at the end of the tenure. Leave travel concession: Return passage for self and family in accordance with the rules specified by the company where it is proposed that the leave be spent in home country instead of anywhere in India. Re-imbursment of travelling, lodging, boarding expenses, all cost and other charges incurred by him in the discharge and execution of his duties as Chairman Cum Managing Director.	Other Perquisites that may be paid apart from the basic salary: Contribution to provident fund, superannuation fund or annuity fund as per the permissible limits under the applicable laws. Encashment of leave at the end of the tenure. Leave travel concession: Return passage for self and family in accordance with the rules specified by the company where it is proposed that the leave be spent in home country instead of anywhere in India. Re-imbursment of travelling, lodging, boarding expenses, all cost and other charges incurred by him in the discharge and execution of his duties as Whole-Time Director.
Compensation/ remuneration paid during the F.Y. 2017-18	₹21,00,000/-	₹ 21,00,000/-

#### SITTING FEES PAYABLE TO NON-EXECUTIVE DIRECTORS

The Board of Directors in their meeting held on July 12, 2018 considered and approved payment of Sitting fees of ₹5,000/- per Board Meeting and ₹2,500/- per Committee Meeting i.e. meeting of Audit Committee, Shareholder's Relationship Committee and Nomination and Remuneration Committee to all Non-Executive Directors including Independent Directors of the Company for all meetings held on or after July 12, 2018.

#### SHAREHOLDING OF DIRECTORS:

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

Sr. No.	Name of Directors	No. Equity Shares held	Category/ Status
1.	Mr. Rakesh Vallabhbhai Swadia	1642120	Executive Non Independent
2.	Mr. Devarshi Rakesh Swadia	1121240	Executive Non Independent
3.	Mrs. Nitaben Rakesh Swadia	788680	Non-Executive Non Independent
4.	Mr. Jayanta Kumar Pani	-	Non-Executive Independent
5.	Mr. Kunal Shah	-	Non-Executive Independent

#### INTEREST OF DIRECTORS

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

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

Executive Director is interested to the extent of remuneration paid to them for services rendered to the company.

Except as stated under chapter titled "Related Party Transaction" on page no. 131 of this Draft Prospectus and Agreements dated June 08, 2018 with Chairman Cum Managing Director and Whole-Time Director, to act in their respective capacities and Leave and License Agreement dated May 7, 2018 with Licensors i.e. Mr. Rakesh Vallabhbhai Swadia, Chairman Cum Managing Director, Mr. Devarshi Rakesh Swadia, Whole-Time Director, Mrs. Nitaben Rakesh Swadia,

Non-Executive Director and Mrs. Manisha Devarshi Swadia, H.R. Manager to use the Premises located at Block A, 407A- 4<sup>th</sup> Floor, Dev Aurum, Anand Nagar Cross Road, Prahladnagar Road, Ahmedabad – 380015 for Office use, our company has not entered into any contracts, agreements or arrangements during the preceding two years from the date of this Draft Prospectus in which our directors are interested directly or indirectly.

#### CHANGES IN THE BOARD OF DIRECTORS DURING THE LAST THREE YEARS:

Name of Director	Date of Event	Nature of Event	Reason for the changes in the board
Mrs. Manisha Devarshi Swadia	May 28,2018	Resignation	Resigned from Directorship w.e.f. May 28,2018
Mr. Rakesh Vallabhbbhai Swadia	May 28,2018	Change in Designation	Re-Designated as Chairman Cum Managing Director w.e.f. May 28, 2018.
Mr. Devarshi Rakesh Swadia	May 28,2018	Change in Designation	Re-Designated as Whole-Time Director w.e.f. May 28, 2018.
Mrs. Nitaben Rakesh Swadia	May 28,2018	Change in Designation	Re-Designated as Non-Executive Director w.e.f. May 28, 2018.
Mr. Jayanta Kumar Pani	June 21,2018	Appointment	Appointed as Additional Independent Director w.e.f. June 21, 2018.
Mr. Kunal Sudhirbhai Shah	July 12, 2018	Appointment	Appointed as Additional Independent Director w.e.f. July 12, 2018

#### CORPORATE GOVERNANCE

In additions to the applicable provisions of the Companies Act, 2013 with respect to the Corporate Governance, provisions of the SEBI Listing Regulations will be applicable to our company immediately up on the listing of Equity Shares on the Stock Exchanges.

As on date of this Draft Prospectus, as our Company is coming with an issue in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009 as amended from time to time, the requirement specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V is not applicable to our Company, although we require to comply with requirement of the Companies Act, 2013 wherever applicable.

Our Company has complied with the corporate governance requirement, particularly in relation to appointment of independent directors including woman director on our Board, constitution of an Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

#### Composition of Board of Directors

Currently the Board has 5 (Five) Directors. In compliance with the requirements of Companies Act, 2013, our Company has 2 (Two) Promoter – Executive Directors, 1 Promoter–Non-Executive Director and 2 (Two) Additional Independent Directors on the Board.

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

Sr. No.	Name of Directors	Designation	Status	DIN
1.	Mr. Rakesh Vallabhbbhai Swadia	Chairman Cum Managing Director	Executive & Non-Independent	00356657
2.	Mr. Devarshi Rakesh Swadia	Whole-Time Director	Executive & Non-Independent	00356752
3.	Mrs. Nitaben Rakesh Swadia	Non-Executive Director	Non-Executive & Non-Independent	00356722
4.	Mr. Jayanta Kumar Pani	Additional Director	Additional Non-Executive & Independent	08038621
5.	Mr. Kunal Sudhirbhai Shah	Additional Director	Additional Non-Executive & Independent	08177662

#### Constitution of Committees

Our company has constituted the following Committees of the Board;

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

Details of composition, terms of reference etc. of each of the above committees are provided hereunder;

#### 1. **Audit Committee:**

The Board of Directors of our Company has, in pursuance to provisions of Section 177 of the Companies Act, 2013, or any subsequent modification(s) or amendment(s) thereof in its Meeting held on July 12, 2018, constituted Audit Committee.

The constitution of the Audit Committee is as follows:

<b>Name of the Directors</b>	<b>Designation</b>	<b>Nature of Directorship</b>
Mr. Jayanta Kumar Pani	Chairman	Independent Director
Mr. Kunal Sudhirbhai Shah	Member	Independent Director
Mr. Rakesh Vallabhbai Swadia	Member	Chairman Cum Managing Director

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

#### **Terms of Reference**

The Role of Audit Committee not limited to but includes:-

- i. The recommendation for the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor, their remuneration and fixation of terms of appointment of the Auditors of the Company;
- ii. Review and monitor the auditors' independence and performance, and effectiveness of audit process;
- iii. Examination of financial statement and auditors' report thereon including interim financial result before submission to the Board of Directors for approval;
  - a. Changes, if any, in accounting policies and practices and reasons for the same
  - b. Major accounting entries involving estimates based on the exercise of judgment by management
  - c. Significant adjustments made in the financial statements arising out of audit findings
  - d. Compliance with listing and other legal requirements relating to financial statements
  - e. Disclosure of any related party transactions
  - f. Qualifications in the draft audit report.
- iv. Approval or any subsequent modification of transactions of the Company with related party;

Provided that the Audit Committee may make omnibus approval for related party transactions proposed to be entered into by the company subject to such conditions as may be prescribed under the Companies Act, 2013 or any subsequent modification(s) or amendment(s) thereof;

Provided further that in case of transaction, other than transactions referred to in section 188 of Companies Act 2013 or any subsequent modification(s) or amendment(s) thereof, and where Audit Committee does not approve the transaction, it shall make its recommendations to the Board;

Provided also that in case any transaction involving any amount not exceeding one crore rupees is entered into by a director or officer of the company without obtaining the approval of the Audit Committee and it is not ratified by the Audit Committee within three months from the date of the transaction, such transaction shall be voidable at the option of the Audit Committee;
- v. Reviewing, with the management, and monitoring the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- vi. Scrutiny of Inter-corporate loans and investments;
- vii. Reviewing and discussing 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;
- viii. To review the functioning of the Whistle Blower mechanism, in case the same is existing;
- ix. Valuation of undertakings or assets of the company, where ever it is necessary;
- x. Evaluation of internal financial controls and risk management systems and reviewing, with the management, performance of internal auditors, and adequacy of the internal control systems; and

- xi. 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;
- xii. 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; and
- xiii. Carrying out any other function as assigned by the Board of Directors from time to time.

### **Review of Information**

- i. Management discussion and analysis of financial condition and results of operations;
- ii. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- iii. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- iv. Internal audit reports relating to internal control weaknesses; and
- v. The appointment, removal and terms of remuneration of the Internal Auditor.

### **Powers of Committee**

- i. To investigate any activity within its terms of reference;
- ii. To seek information from any employees;
- iii. To obtain outside legal or other professional advice; and
- iv. To secure attendance of outsiders with relevant expertise, if it considers necessary.

### **Quorum and Meetings**

The audit committee shall meet as and when require to discuss and approve the items included in its role. The quorum of the meeting of the Audit Committee shall be one third of total members of the Audit Committee or 2, whichever is higher, subject to minimum two Independent Director shall present at the Meeting.

## **2. Stakeholders Relationship Committee:**

The Board of Directors of our Company has, in pursuance to provisions of Section 178 of the Companies Act, 2013, or any subsequent modification(s) or amendment(s) thereof in its Meeting held on July 12, 2018, constituted Stakeholders Relationship Committee.

The constitution of the Stakeholders Relationship Committee is as follows:

<b>Name of the Directors</b>	<b>Designation</b>	<b>Nature of Directorship</b>
Mr. Jayanta Kumar Pani	Chairman	Independent Director
Mr. KunalSudhirbhai Shah	Member	Independent Director
Mr.RakeshVallabhbaiSwadia	Member	Chairman Cum Managing Director

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

### **Terms of Reference**

To supervise and ensure;

- i. Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares;
- ii. Redressal of shareholder and investor complaints like transfer of Shares, non-receipt of balance sheet, non-receipt of declared dividends etc.;
- iii. Issue duplicate/split/consolidated share certificates;
- iv. Dematerialization/Rematerialization of Share;
- v. Review of cases for refusal of transfer / transmission of shares and debentures;
- vi. Reference to statutory and regulatory authorities regarding investor grievances and to otherwise ensure proper and timely attendance and redressal of investor queries and grievances; Provided that inability to resolve or consider any grievance by the Stakeholders Relationship Committee in good faith shall not constitute a contravention of Section 178 of Companies Act, 2013 or any subsequent modification(s) or amendment(s) thereof.
- vii. Such other matters as may be required by any statutory, contractual or other regulatory requirements to be attended to by such committee from time to time.

### **Quorum and Meetings**

The Stakeholders Relationship Committee shall meet at least four times a year and not more than one hundred and twenty days shall elapse between two meetings and shall report to the board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the company. The quorum shall be one third of total members of the Stakeholders Relationship Committee or 2 members, whichever is higher.

### 3. Nomination and Remuneration Committee:

The Board of Directors of our Company has, in pursuance to provisions of Section 178 of the Companies Act, 2013, or any subsequent modification(s) or amendment(s) thereof in its Meeting held on July 12, 2018, constituted Nomination and Remuneration Committee.

The constitution of the Nomination and Remuneration Committee is as follows:

Name of the Directors	Designation	Nature of Directorship
Mr. KunalSudhirbhai Shah	Chairperson	Independent Director
Mr. Jayanta Kumar Pani	Member	Independent Director
Mrs. Nitaben Rakesh Swadia	Member	Non-Executive Director

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

#### Terms of reference

#### Role of Nomination and Remuneration Committee not limited to but includes:-

- i. 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;
- ii. Formulation of criteria for evaluation of Independent Directors and the Board;
- iii. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- iv. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal and shall carry out evaluation of every director's performance.

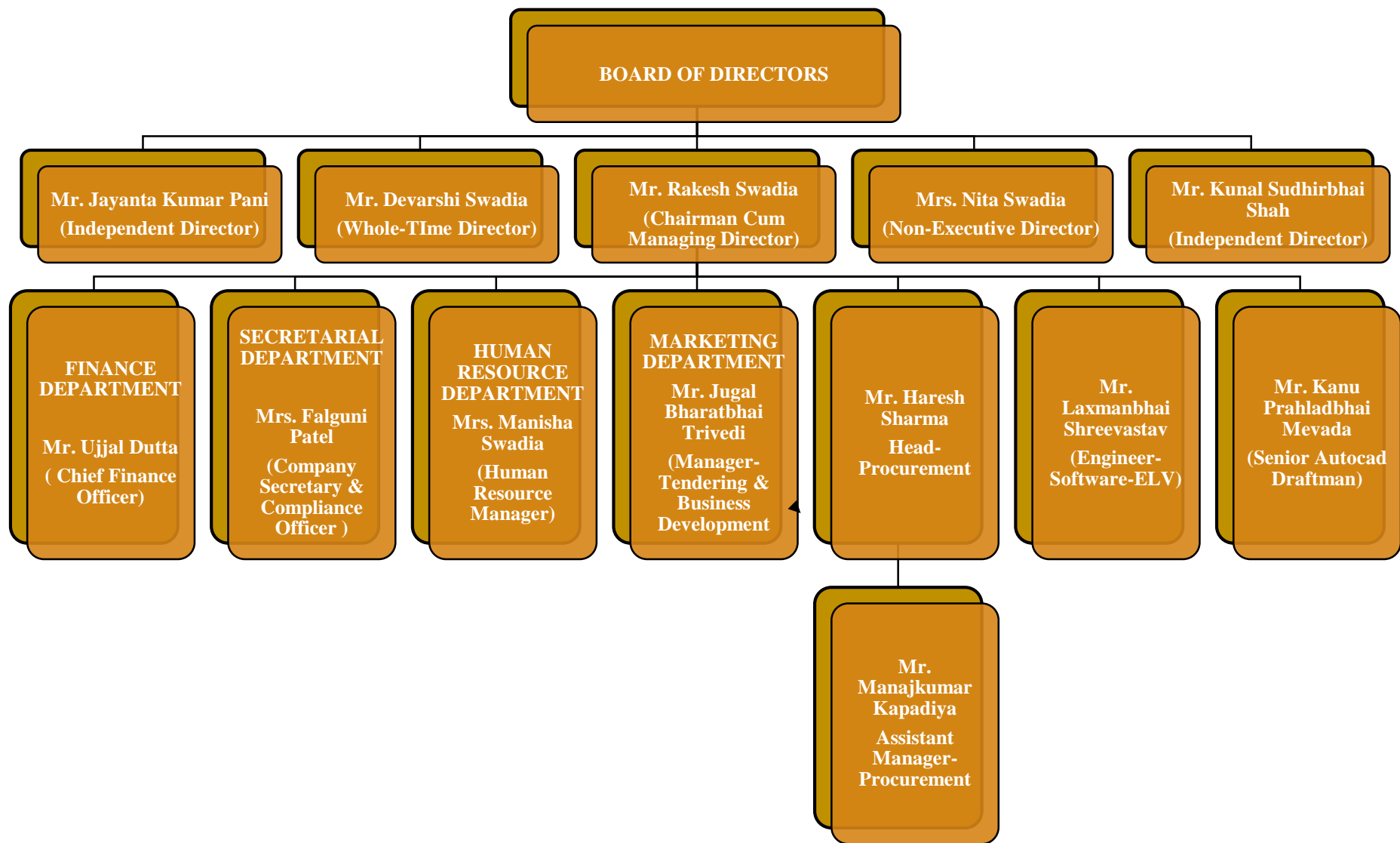
#### Quorum and Meetings

The Committee is required to meet at least once a year. The quorum necessary for a meeting of the Nomination and Remuneration Committee is one third of total members of the Nomination and Remuneration Committee or 2 members, whichever is higher.

## MANAGEMENT ORGANIZATION STRUCTURE

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





## OUR KEY MANAGEMENT PERSONNEL

The Key Managerial Personnel of our Company other than our Executive Director are as follows:-

Name, Designation and Date of Joining		Qualification	Previous Employment	Remuneration paid in F.Y. 2017-18) (₹ in Lakhs)
<b>Name</b>	Mrs. Falguni Patel	Master of Commerce and Company Secretary	--	N.A.
<b>Designation</b>	Company Secretary & Compliance Officer			
<b>Date of Appointment</b>	May 28, 2018			
<b>Overall Experience</b>	Mrs. Falguni Patel has joined our Company as Company Secretary and Compliance officer w.e.f. May 28, 2018. She holds degree of Master of Commerce and is an Associate Member of Institute of Company Secretaries of India. She has an overall experience of around 2 Years by working in positions such as Assistant to the Company secretary and Assistant Manager (Marketing). She is responsible for the efficient administration of a company, particularly with regard to ensuring compliance with statutory and regulatory requirements and for ensuring that decisions of the board of directors are implemented.			
<b>Name</b>	Mr. Ujjal Dutta	Master of Business Administration (M.B.A.) in Finance	B.D. Overseas and Fiscal Services Limited	N.A.
<b>Designation</b>	Chief Finance Officer			
<b>Date of Appointment</b>	May 28, 2018			
<b>Overall Experience</b>	Mr. Ujjal Dutta is appointed as Chief Finance Officer from May 28, 2018. He holds degree of Master of Business Administration (M.B.A.) in Finance from Sikkim Manipal University. He has an overall experience of 10 Years in the field of accounts and finance.			

## BONUS OR PROFIT SHARING PLAN FOR THE KEY MANAGEMENT PERSONNEL

Our Company does not have any bonus or profit sharing plan for our Key Managerial personnel.

## CHANGES IN THE KEY MANAGEMENT PERSONNEL

The following are the changes in the Key Management Personnel in the last three years preceding the date of filing this Draft Prospectus, otherwise than by way of retirement in due course.

Name of Director	Date of Event	Nature of Event	Reason for the changes in the Key Management Personnel
Mr. Rakesh Vallabhshai Swadia	May 28,2018	Change in Designation	Re-Designated as Chairman Cum Managing Director of the Company w.e.f. May 28, 2018.
Mr. Devarshi Rakesh Swadia	May 28,2018	Change in Designation	Re-Designated as Whole-Time Director of the Company w.e.f. May 28, 2018.
Mrs.Falguni Patel	May 28,2018	Appointment	Appointed as Company Secretary & Compliance Officer
Mr. Ujjal Dutta	May 28,2018	Appointment	Appointed as Chief Finance Officer.

## EMPLOYEE STOCK OPTION SCHEME

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

## RELATION OF THE KEY MANAGERIAL PERSONNEL WITH OUR PROMOTERS/ DIRECTORS

Name of Director	Designation	Relation
Mr. Rakesh Vallabhshai Swadia	Chairman Cum Managing Director	Husband of our Non-Executive Director, Mrs. Nitaben Rakesh Swadia, Father of our Promoter Cum Whole-Time Director, Mr. Devarshi Rakesh Swadia.
Mr. Devarshi Rakesh Swadia	Whole-Time Director	Son of our Promoter Cum Chairman Cum Managing Director, Mr. Rakesh Vallabhshai Swadia, Son of our Non-Executive Director, Mrs. Nitaben Rakesh Swadia,

## **PAYMENT OF BENEFIT TO OFFICERS OF OUR COMPANY (NON-SALARY RELATED)**

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

### **Notes:**

- All the key managerial personnel mentioned above are on the payrolls of our Company as permanent employees.
- There is no arrangement / understanding with major shareholders, customers, suppliers or others pursuant to which any of the above mentioned personnel have been recruited.
- None of our Key Managerial Personnel has been granted any benefits in kind from our Company, other than their remuneration.
- None of our Key Managerial Personnel has entered into any service contracts with our company except acting in their Individual Capacity as Chairman and Managing Director or Whole-Time Directors and no benefits are granted upon their termination from employment other than statutory benefits provided by our Company. Further, our Company has appointed certain Key Managerial Personnel i.e. Chief Financial Officer and Company Secretary and Compliance officer for which our company has not executed any formal service contracts; although they are abide by their terms of appointments.

## **SHAREHOLDING OF THE KEY MANAGEMENT PERSONNEL**

Except as disclosed below, none of the Key Managerial Personnel hold any Equity Shares of our Company as on the date of this Draft Prospectus.

<b>Sr. No.</b>	<b>Name of Key Management Personnel</b>	<b>Designation</b>	<b>No. of Equity Shares</b>
1.	Mr. RakeshVallabhbhai Swadia	Chairman cum Managing Director	1642120
2.	Mr. Devarshi Rakesh Swadia	Whole-Time Director	1121240

## OUR PROMOTERS AND PROMOTERS GROUP


**Promoters of Our Company are:-**

- 1. Mr. Rakesh Vallabhbhai Swadia**
- 2. Mr. Devarshi Rakesh Swadia**


For details of the Capital build-up of our Promoters in our Company, see section titled “Capital Structure” beginning on page no. 38 of this Draft Prospectus.

The details of our Promoters are as follows:

### **Mr. Rakesh Vallabhbhai Swadia**

	Mr. Rakesh Vallabhbhai Swadia, aged 58 years is a Director of the Company since April 04, 1994 and has been re-designated as Chairman Cum Managing Director w.e.f. May 28, 2018. He has a Professional Experience of more than 35 Years in the same Industry in which Company operates i.e. in Industry of Industrial Pumps, Electric Motors, and Diesel Generating Sets. Under his guidance Company was appointed as sole distributors of country’s leading manufacturer “Kirloskar Group”. He will continue guiding the Company through his valuable experience.
<b>Age</b>	58 years
<b>PAN</b>	ACVPS6065J
<b>Passport Number</b>	J2343726
<b>Voter Identification No.</b>	ZCU2590412
<b>Driving License</b>	GJ0120010805237
<b>Name of Bank</b>	HDFC Bank
<b>Bank Account No.</b>	50100135863351
<b>Educational Qualification</b>	Completed First Year Bachelor of Commerce (B.Com) from Gujarat University in the Year 1980.
<b>Present Residential Address</b>	A/201, Asavari Tower, B/H Fun Republic, S.G. Highway, Ambawadi, Vistar, Gujarat – 380015.
<b>Position/posts held in the past</b>	He was Appointed as Additional Director of the Company in April 04, 1994 and then re-designated as Managing Director of the Company w.e.f. March 27, 2006. Now he is re-designated as a Chairman Cum Managing Director Cum Promoter (Member) of the Company w.e.f. May 28, 2018 for 5 Years.
<b>Directorship held</b>	-
<b>Other Ventures</b>	Rakesh Vallabhbhai Swadia HUF

### **Mr. Devarshi Rakesh Swadia**

	Mr. Devarshi Rakesh Swadia, aged 34 years, holds Degree of Bachelor of Business Administration from Gujarat University. He has been handling and assisting his father in day to day Business Activities of the Company being a Director of the Company since December 01, 2003 and therefore has a Professional Experience of more than 13 Years in the Industry in which Company operates, i.e. Industry of Industrial Pumps, Electric Motors, and Diesel Generating Sets. He is re-designated as Whole-Time Director of the Company w.e.f. May 28, 2018, he will be handling Marketing Division of Company, day to day Planning, Co-ordination and Execution of Ongoing Projects and Future Projects of Company.
<b>Mr. Devarshi Rakesh Swadia</b>	
<b>Age</b>	34 years
<b>PAN</b>	BCTPS5713C
<b>Passport Number</b>	J2958017
<b>Voter Identification No.</b>	LPZ3941648
<b>Driving License</b>	GJ01 20050037179

<b>Name of Bank</b>	HDFC Bank
<b>Bank Account No.</b>	50100135863746
<b>Educational Qualification</b>	Bachelor of Business Administration
<b>Present Residential Address</b>	A/201, Asavari Tower, B/H Fun Republic, S.G. Highway, Ambawadi, Vistar, Gujarat-380015.
<b>Position/posts held in the past</b>	He was appointed as a Director Cum Promoter (Member) of the Company in December 01, 2003. Now he is re-designated as a Whole Time Director Cum Promoter (Member) of the Company w.e.f. May 28, 2018.
<b>Directorship held</b>	-
<b>Other Ventures</b>	Devarshi R Swadia HUF Mepalleaf Liquor Private Limited

## DECLARATION

We declare and confirm that the details of the permanent account numbers, bank account numbers and passport numbers of our Promoters will be submitted to the Stock Exchange on which the specified securities are proposed to be listed at the time of filing this Draft Prospectus with the Stock Exchange.

## CONFIRMATIONS

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

Further, our Promoters have not been directly or indirectly, debarred from accessing the capital market or have been restrained by any regulatory authority, directly or indirectly from acquiring the securities.

Additionally, our Promoters do not have direct or indirect relation with the companies, its promoters and whole time director, which are compulsorily delisted by any recognized stock exchange.

We and Our promoters, group companies, and companies promoted by the promoter confirm that:

- No material regulatory or disciplinary action has been taken by a stock exchange or regulatory authority in the past one year against them;
- There are no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs during the past three years.
- The details of outstanding litigation including its nature and status are disclosed in the section title “Outstanding Litigation and Material Developments” appearing on page no. 176 of this Draft Prospectus.

## CHANGE IN THE CONTROL OR MANAGEMENT OF THE ISSUER IN LAST THREE YEARS

There has been no change in the control or management of our Company in last three years.

## RELATIONSHIP OF PROMOTER WITH EACH OTHER AND WITH OUR DIRECTORS

There is no relationship between Promoters of our Company with other Directors except as described below;

<b>Name of Director</b>	<b>Designation</b>	<b>Relation</b>
Mr. Rakesh Vallabhbbhai Swadia	Promoter Cum Chairman	Husband of our Non-Executive Director, Mrs. Nitaben Rakesh Swadia,
	Managing Director	Father of our Promoter Cum Whole-Time Director, Mr. Devarshi Rakesh Swadia
Mr. Devarshi Rakesh Swadia	Promoter Cum Whole-Time Director	Son of Our Promoter Cum Chairman Cum Managing Director, Mr. Rakesh Vallabhbbhai Swadia
		Son of our Non-Executive Director, Mrs. Nitaben Rakesh Swadia.

## INTEREST OF OUR PROMOTERS

Except as stated in Annexure – 36 - “Related Party Transaction” on page no. 166 of this Draft Prospectus and to the extent of compensation, remuneration/ sitting fees to be paid, Perquisites to be given and reimbursement of expenses to be made in accordance with their respective terms of appointment, our Promoters do not have any other interest in our business.

Further, our Promoter may be deemed to be interested to the extent of the payments made by our Company, if any, to the Promoter Group entities. For the payments that are made by our Company to certain Promoter Group entities, please refer Annexure – 36 - “Related Party Transaction” on page no. 166 of this Draft Prospectus.

Our Promoter do not have any interest in any property acquired by our Company in the period of two years before filing this Draft Prospectus except our Company has entered in to Leave and Licence Agreement with Mr. Rakesh Vallabhbhai Swadia, Chairman Cum Managing Director, Mr. Devarshi Rakesh Swadia, Whole-Time Director, Mrs. Nitaben Rakesh Swadia, Non-Executive Director and Mrs. Manisha Devarshi Swadia, H.R. Manager to use the Premises located at Block A, 407A- 4th Floor, Dev Aurum, Anand Nagar Cross Road, Prahladnagar Road, Ahmedabad for Office Use.

- Except following agreements, we have not entered into any contract, agreements or arrangements during the preceding two years from the date of this Draft Prospectus in which promoter is directly or indirectly interested;

Sr. No.	Date of Agreement	Particulars of Agreement
1.	June 08, 2018	Agreement with Mr. Rakesh Vallabhbhai Swadia, Agreement for acting in his individual capacity as Chairman Cum Managing Director of the Company for a period of 5 Years w.e.f. May 28, 2018.
2.	June 08, 2018	Agreement with Mr. Devarshi Rakesh Swadia, Agreement for acting in his individual capacity as Whole-Time Director of the Company for a period of 5 Years w.e.f. May 28, 2018.
3.	May 07, 2018	Leave and Licence Agreement with Licensors i.e. with Mr. Rakesh Vallabhbhai Swadia, Chairman Cum Managing Director, Mr. Devarshi Rakesh Swadia, Whole-Time Director, Mrs. Nitaben Rakesh Swadia, Non-Executive Director and Mrs. Manisha Devarshi Swadia, H.R. Manager to use the Premises located at Block A, 407A- 4 <sup>th</sup> Floor, Dev Aurum, Anand Nagar Cross Road, Prahladnagar Road, Ahmedabad for Office Use.

- We are making payments to Mr. Rakesh Vallabhbhai Swadia, Chairman Cum Managing Director and Mr. Devarshi Rakesh Swadia, Whole-Time Director in respect of above agreements and such payment will also be made to them in the future during the currency of Agreements including perquisites to be given and reimbursement of expenses to be made in accordance with terms of appointment of Mr. Rakesh Vallabhbhai Swadia, Chairman Cum Managing Director and Mr. Devarshi Rakesh Swadia, Whole-Time Director.

For further details on Interest of Our Promoters, please refer to heading titled “Properties” on page no. 89 under chapter titled “Business overview” and Annexure – 36 – “Related Party Transaction” beginning on page no. 166 of this Draft Prospectus.

## PAYMENT OF BENEFITS TO OUR PROMOTERS

Except as stated in the section Annexure – 36 – “Related Party Transactions” on page no. 166 of this Draft Prospectus, there has been no payment of benefits made to our Promoters during the two years preceding the filing of this Draft Prospectus.

## OUR PROMOTER GROUP

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

### A. Natural persons who are part of our Individual Promoter Group:

Relationship with Promoter	Mr. Rakesh Vallabhbhai Swadia	Mr. Devarshi Rakesh Swadia
<b>Father</b>	Late Vallabhbhai Swadia	Mr. Rakesh Vallabhbhai Swadia
<b>Mother</b>	Late Santaben Swadia	Mrs. Nitaben Rakesh Swadia
<b>Spouse</b>	Mrs. Nitaben Rakesh Swadia	Mrs. Manisha Devarshi Swadia
<b>Brothers</b>	-	-



Relationship with Promoter	Mr. RakeshVallabhbhaiSwadia		Mr. DevarshiRakeshSwadia	
<b>Sisters</b>	Mrs. Urvashi Sanghvi	Mrs. Ila Patel	Mrs. Shailja Patel	
	Mrs. Panna Jariwala	Mrs. MintuPatel		
<b>Sons</b>	Mr. Devarshi Rakesh Swadia		-	
<b>Daughter</b>	Mrs. Shailja Patel		Ahalya Swadia	Shrividya Swadia
<b>Spouse's Father</b>	Late Shankarlal Guru		Mr. Rajubhai Mehtani	
<b>Spouse's Mother</b>	Mrs. Hiraben Guru		Mrs. Jayadevi Mehtani	
<b>Spouse's Brothers</b>	Mr. Ashishbhai Guru		-	
<b>Spouse's Sisters</b>	Mrs. Alkaben Patel	Mrs. Amitaben Patel	Ms. Nikita Mehtani	
	Mrs. Kashmiraben Patel	Mrs. Ashitaben Patel		
	Mrs. Anilaben Raskapur			

**B. Companies related to our Promoter Company: N.A.**

Nature of Relationship	Entity
Subsidiary or holding company of Promoter Company.	N.A.
Any Body corporate in which promoter (Body Corporate) holds 10% or more of the equity share capital or which holds 10% or more of the equity share capital of the promoter (Body Corporate).	N.A.
Any Body corporate in which a group or individuals or companies or combinations thereof which hold 20% or more of the equity share capital in that body corporate also hold 20% or more of the equity share capital of the Issuer.	N.A.

**C. Companies, Proprietary concerns, HUF's related to our promoters**

Nature of Relationship	Entity
Any Body Corporate in which ten percent or more of the equity share capital is held by promoter or an immediate relative of the promoter or a firm or HUF in which promoter or any one or more of his immediate relative is a member.	1. RakeshVallabhSwadia(HUF) 2. Devarshi R Swadia(HUF) 3. Shrividya Engineers – Sole Proprietorship 4. Himgiri Engineers– Sole Proprietorship 5. Mepalleaf Liquor Private Limited 6. Mehtani Flexipack Private Limited
Any Body corporate in which Body Corporate as provided above holds ten percent or more of the equity share capital.	–
Any Hindu Undivided Family or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than ten percent.	1. RakeshVallabhSwadia(HUF) 2. Devarshi R. Swadia (HUF)

For further details on our Promoter Group refer Chapter Titled “Financial Information of our Group Companies” beginning on page no. 127 of this Draft Prospectus.

## FINANCIAL INFORMATION OF OUR GROUP COMPANIES

The definition of “Group Companies” was amended pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2015, to include companies covered under applicable accounting standards and such other companies as are considered material by the Board. Pursuant to a Board resolution dated July 12, 2018, our Board has formulated a policy with respect to companies/entities which it considered material to be identified as group companies/entities, pursuant to which the following entity is identified as Group Company/Entity of our Company.

1. Shrividya Engineers- Sole Proprietorship
2. Himgiri Engineers –Sole Proprietorship
3. Devarshi R Swadia (HUF)
4. Rakesh Vallabh Swadia (HUF)
5. Mepalleaf Liquor Private Limited

Except as stated above, there are no companies/entities which are considered material by the Board of Directors of our Company to be identified as group companies/entities. As per sub clause C (2) of clause (IX) of Schedule VIII, we have provided the financial information of unlisted group companies/entities.

### 1. SHRIVIDYA ENGINEERS – SOLE PROPRIETORSHIP

Shrividya Engineers is the Sole-Proprietorship of Mrs. Nita Swadia. Business under Shrividya Engineers was commenced on November 27, 2015. The Office of Shrividya Engineers is situated at LL-6, Tulsi Complex, Mithkhali Six Road, Ahmedabad – 380 009.

Shrividya Engineers is engaged in the business of Engineers - Errection, Commision & Installation Service (Labour & Service).

#### Financial Performance

The summary of unaudited financials for the previous three years is as follows:

(₹ In lakhs)

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
Total Income	74.45	98.47	49.58
Total Expenditure	69.38	91.75	45.63
Excess of income over expenditure	5.08	6.72	3.95

### 2. HIMGIRI ENGINEERS – SOLE PROPRIETORSHIP

Himgiri Engineers is the Sole-Proprietorship of Mr. Devarshi Swadia. Business under Himgiri Engineers was commenced on November 27, 2015. The Office of Himgiri Engineers is situated at Lower level, LL-05, Tulsi Complex, Opposite Shri Krishna Centre, Mithkhali Six Road, Ahmedabad – 380 009.

Himgiri Engineers is engaged in the business of trading of Accessories, Fire Systems, MS Tube, Pipes etc.

#### Financial Performance

The summary of unaudited financials for the previous three years is as follows:

(₹ In lakhs)

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
Total Income	633.57	88.37	16.47
Total Expenditure	625.50	86.55	15.07
Excess of income over expenditure	8.07	1.82	1.40

### 3. DEVARSHI R SWADIA (HUF)

Devarshi R Swadia (HUF) was constituted on December 25, 2007. The Karta of Devarshi R Swadia (HUF) is Mr. Devarshi Swadia.

Devarshi R Swadia (HUF) is currently engaged in Investment Activity.

#### Financial Performance

The summary of unaudited financials for the previous three years is as follows:

(₹ In lakhs)

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
Total Income	Negligible	0.007	0.001
Excess of Income/expenditure over income	Negligible	(0.002)	(0.012)

#### 4. RAKESH VALLABH SWADIA (HUF)

Rakesh Vallabh Swadia (HUF) was constituted on July 20, 1984. The Karta of Rakesh Vallabh Swadia (HUF) is Mr. Rakesh Swadia.

Rakesh Vallabh Swadia (HUF) is currently engaged in Investment Activity.

#### Financial Performance

The summary of unaudited financials for the previous three years is as follows:

(₹ In lakhs)

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
Total Income	Negligible	0.003	0.003
Excess of Income/expenditure over income	Negligible	(0.007)	(0.001)

#### 5. MEPALLEAF LIQUOR PRIVATE LIMITED (MLPL)

##### Brief Corporate Information

MLPL is a Private Limited Company incorporated under the provisions of Companies Act, 2013 and it has recently received the certificate of incorporation on July 11, 2018. Registered office of MLPL is situated at 103/104, Purna CHS LTD, 4th Cross Road, Plot 67, Opposite RNA Shopping Arm, Lokhandwala Andheri (W) Mumbai, Maharashtra – 400 053. The Corporate Identification number of MLPL is U15549MH2018PTC311757.

##### Current Nature of Activities

MLPL is incorporated with Main Object as follows:-

(1) To carry on in India or elsewhere the business to produce alcoholic beverages, beer, ale, and related beverages; distilled spirits bourbon, brandy, gin, rum, tequila, vodka, and whiskey; and wine including wines made from fermented grape juice such as red wine, white wine, sparkling wine; rice and barley wine; and wines made from fruits other than grapes.

Currently, its MLPL's initial stage, its Promoters is engaged in setting up Business under the Company.

##### Board of Directors

As on date of this Draft Prospectus, the following are the Directors of the MLPL;

Sr. No.	Name	Designation
1.	Mr. Devarshi Rakesh Swadia	Director
2.	Mr. Maheshkumar Bhuralal Tanna	Director

##### Shareholding Pattern

As on date of this Draft Prospectus, the following are the Members of the MLPL;

Sr. No.	Name of the shareholder	Number of Equity Shares held	Percentage holding (%)
1.	Mr. Mahesh Kumar B Tanna	40,000	66.67
2.	Mr. Devarshi Rakesh Swadia	20,000	33.37
	<b>Total</b>	<b>60,000</b>	<b>100.00</b>

## Financial Performance

MLPL is incorporated on July 11, 2018; therefore disclosure of financial information of last three Financial Year is not applicable.

### GENERAL DISCLOSURE:

- Our Group Company as mentioned above is not a listed Company.
- Our Group Company/entity as mentioned above are not a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 or are under winding up.
- Our Group Company/entities as mentioned above are not in defaults in meeting any Statutory/bank/institutional dues and no proceedings have been initiated for economic offences against any of the Group Companies.
- Our Group Company/entities as mentioned above are not identified as a Willful Defaulter.

### COMMON PURSUIT:

None of our group company/entities have any of the objects similar to that of our Company's Business except as stated below;

- Shrividya Engineers – engaged in the business of Engineers - Errection, Commision & Installation Service (Labour & Service).
- Himgiri Engineers – engaged in the business of trading of Accessories, Fire Systems, MS Tube, Pipes etc.

### DISSOCIATION OF PROMOTER IN THE LAST THREE YEAR:

Our Promoters, Mr. Rakesh Swadia and Mr. Devarshi Swadia have not disassociated themselves from any Companies/entities in the last three years except the following:-

#### Mr. Rakesh Swadia

Name of Entity	Type	Date of Dissociation	Reason for Dissociation
Himgiri Solutions Private Limited	Directorship & Membership	January 20, 2016 (Order Effect Date)	Amalgamation
Destiny Zone Security Systems Private Limited	Directorship & Membership	January 20, 2016 (Order Effect Date)	Amalgamation

#### Mr. Devarshi Swadia

Name of Entity	Type	Date of Dissociation	Reason for Dissociation
Himgiri Solutions Private Limited	Directorship & Membership	January 20, 2016 (Order Effect Date)	Amalgamation
Destiny Zone Security Systems Private Limited	Directorship & Membership	January 20, 2016 (Order Effect Date)	Amalgamation

### RELATED BUSINESS TRANSACTIONS WITHIN THE GROUP COMPANY AND ITS SIGNIFICANCE ON THE FINANCIAL PERFORMANCE OF OUR COMPANY

Sales or Purchases between our Group Company and our Company are given below:

(₹ in Lakh)

Particulars	During the year ended March 31,				
	2018	2017	2016	2015	2014
<b>Sales of our Company to our Group Company(s)</b>					
<b>Total Sales of Ranjeet Mechatronics Limited</b>	1,778.19	1,760.99	2,525.30	2,361.56	1,063.68
<b>Total Sales to Himgiri Solutions Private Limited</b>	-	-	21.58	233.89	269.99

% of Total Sales of Ranjeet Mechatronics Limited	-	-	0.85	9.90	25.38
<b>Total Sales to Destiny Zone Security System Private Limited</b>	-	-	-	197.98	246.31
% of Total Sales of Ranjeet Mechatronics Limited	-	-	-	8.38	23.16
<b>Total Sales to Himgiri Engineers</b>	611.43	54.05	-	-	-
% of Total Sales of Ranjeet Mechatronics Limited	34.38	3.07	-	-	-
<b>Total Sales to Shrividya Engineers</b>	-	-	-	0.02	-
% of Total Sales of Ranjeet Mechatronics Limited	-	-	-	0.00	-
<b>Purchases of our Company from our Group Company(s)</b>					
<b>Total Purchases of Ranjeet Mechatronics Limited</b>	1,697.66	1,450.23	2,301.06	2,141.46	966.55
<b>Total Purchases from Himgiri Engineers</b>	578.80	84.94	-	-	-
% of Total Purchases of Ranjeet Mechatronics Limited	34.09	5.86	-	-	-
<b>Total Purchases from Shrividya Engineers</b>	74.45	98.42	-	-	-
% of Total Purchases of Ranjeet Mechatronics Limited	4.39	6.77	-	-	-
<b>Total Purchases from Himgiri Solutions Private Limited</b>	-	-	-	216.86	94.48
% of Total Purchases of Ranjeet Mechatronics Limited	-	-	-	10.13	9.77
<b>Total Purchases from Destiny Zone Security System Private Limited</b>	-	-	-	135.68	-
% of Total Purchases of Ranjeet Mechatronics Limited	-	-	-	6.34	-

#### **DEFUNCT /STRUCK-OFF COMPANY**

- None of Promoters, Promoter Group and our Group Companies has remained defunct and no application has been made to Registrar of Companies for Striking off their name from the Register of Companies, during the five years preceding the date of filing this Draft Prospectus.
- None of the securities of our Group Entity are listed on any stock exchange and our Group Entity has not made any public or rights issue of securities in the preceding three years.
- Our Group Entity has not been debarred from accessing the capital market for any reasons by the SEBI or any other authorities.

## **RELATED PARTY TRANSACTIONS**

For details of the related party transaction of our Company, see Annexure – 36 and Annexure – 2 to Accounts to the financial statements respectively, in “Auditors Report and Financial Information of our Company” beginning from page no. 133 of this Draft Prospectus.



## **DIVIDEND POLICY**

Under the Companies Act, 2013 our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the Annual General Meeting. The shareholders of the Company have the right to decrease but 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.

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**  
**AUDITORS REPORT AND FINANCIAL INFORMATION OF OUR COMPANY**

**INDEPENDENT AUDITORS' REPORT**

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

**To,**  
**The Board of Directors,**  
**Ranjeet Mechatronics Limited**  
Block A, 407 - 4th Floor, Dev Aurum, Anand Nagar Cross Road,  
Prahladnagar Road, Ahmedabad – 380 015, Gujarat

Dear Sirs,

1. We have examined the attached Restated Financial Information of **Ranjeet Mechatronics Limited** (hereinafter referred as “the Company”), which comprise of the Restated Summary Statement of Assets and Liabilities as at March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014. The Restated Summary Statements of Profits and Loss and the Restated Summary Statement of Cash Flows for the financial year ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 and the Summary of Significant Accounting Policies as approved by the Board of Directors of the Company prepared in terms of the requirements of;
  - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (“the Act”), read with the applicable provisions within Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 (“the Rules”);
  - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“the Regulation”) (“SEBI ICDR Regulations”) as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 (“ICDR Regulations”).

The preparation of the Restated Financial Information is the responsibility of the Management of the Company for the purpose set out below. The Management’s responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Standalone Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the Rules and ICDR Regulations.

2. We have examined such Restated Financial Information taking into consideration:
  - (a) The terms of reference to our engagements with the Company requesting us to examine financial statements referred to above and proposed to be included in the Draft Prospectus/ Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in SME Platform of BSE (“IPO” or “SME IPO”); and
  - (b) The Guidance Note on Reports in Company Prospectus (Revised 2016) issued by ICAI (“The Guidance Note”).
3. Audit for the financial year ended March 31, 2018, March 31, 2017, March 31, 2016 and March 31, 2015 were conducted by Philip Fernandes & Co., Chartered Accountants and Audit for the financial year ended on March 31, 2014 were conducted by Agarwal Kothari & Agrawal, Chartered Accountants.. Accordingly, reliance has been placed on the financial information examined by them for the said years. The financial report included for these years is based solely on the report submitted by them and no routine audit has been carried out by us. We have examined the books of account underlying those financial statements and other records of the Company, to the extent considered necessary by us, for the presentation of the Restated Summary Statements under the requirements of Schedule III of the Act. Further financial statements for the financial year ended on March 31, 2018 have been re-audited by us as per the relevant guidelines.
4. Based on our examination, we report that:
  - a) The “**Restated Statement of Assets and Liabilities**” as set out in **Annexure I** to this report, of the Company for the financial year ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 have been arrived at after making such adjustments and regroupings to the individual Financial Statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure 2** to this Report.
  - b) The “**Restated Statement of Profit and Loss**” as set out in **Annexure II** to this report, of the Company for the financial year ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, have

been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure 2** to this Report.

- c) The “**Restated Statement of Cash Flow**” as set out in **Annexure III** to this report, of the Company for the financial year ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Restated Summary Statements as set out in **Annexure 2** to this Report.

Based on the above and also as per the reliance placed by us on the audited financial statements of the company and Auditors Report thereon which have been prepared by Statutory Auditor of the Company for the financial year ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, we are of the opinion that “**Restated Financial Statements**” or “**Restated Summary Statements**” have been made after incorporating:

- (i) Adjustments for any material amounts in the respective financial years have been made to which they relate; and
- (ii) There are no Extra-ordinary items except as shown in the Restated Profit & Loss Statement of that need to be disclosed separately in the Restated Summary Statements.
- (iii) Adjustments on account of the statutory audit qualifications, if any, have been adjusted and regrouped to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure 2** to this Report.
- (iv) Adjustments in Financial Statements have been made in accordance with the correct accounting policies.
- (v) The Company has not paid dividend on its equity shares during the reporting period.
5. In terms of Schedule VIII of the SEBI (ICDR) Regulations, 2009 and other provisions relating to accounts, We, Mistry and Shah, Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid Certificate No. 007138 dated February 06, 2014 issued by the “Peer Review Board” of the ICAI.

**6. Other Financial Information:**

- a) We have also examined the following financial information as set out in annexure prepared by the Management and as approved by the Board of Directors of the Company for the financial year ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014.
- b)

Corporate Information	Annexure 1
Significant Accounting Policies and Notes to Accounts	Annexure 2
Restated Statement of Share Capital	Annexure 3
Restated Statement of Reserves And Surplus	Annexure 4
Restated Statement of Long Term And Short Term Borrowings	Annexure 5
Restated Statement of Deferred Tax (Assets) / Liabilities	Annexure 6
Restated Statement of Other Long Term Liabilities	Annexure 7
Restated Statement of Long Term Provisions	Annexure 8
Restated statement of Short Term Borrowings	Annexure 9
Restated Statement of Trade Payables	Annexure 10
Restated Statement of Other Current Liabilities	Annexure 11
Restated Statement of Short Term Provisions	Annexure 12
Restated Statement of Fixed Assets	Annexure 13
Restated Statement of Non-Current Investments	Annexure 14
Restated Statement of Long-Term Loans And Advances	Annexure 15
Restated Statement of Current Investment	Annexure 16
Restated Statement of Inventories	Annexure 17
Restated Statement of Trade Receivables	Annexure 18
Restated Statement of Cash and Cash equivalents	Annexure 19
Restated Statement of Short Term and Advances	Annexure 20

Restated Statement of Other current assets	Annexure 21
Restated Statement of Revenue from Operations	Annexure 22
Restated Statement of Other Income	Annexure 23
Restated Statement of Direct Expense	Annexure 24
Restated Statement of Changes in Inventory	Annexure 25
Restated Statement of Employee Benefit Expenses	Annexure 26
Restated Statement of Finance Cost	Annexure 27
Restated Statement of Depreciation & Amortization	Annexure 28
Restated Statement of Other Expenses	Annexure 29
Restated Statement of Material adjustments made to financials	Annexure 30
Restated Statement of Tax shelter	Annexure 31
Restated Statement Of Dividend	Annexure 32
Restated Statement of Contingent Liabilities	Annexure 33
Restated Statement of Accounting Ratios	Annexure 34
Restated Statement of Capitalization	Annexure 35
Restated statement of Related Party Transaction	Annexure 36

- c) The Restated Financial Information contain all the disclosures required by the SEBI ICDR regulations and partial disclosures as required by Accounting Standards notified under the Companies Act, 1956 of India read with the General Circular 15/ 2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
- d) We have not audited any financial statements of the Company as of any date or for any period subsequent to March 31, 2018. Accordingly, we do not express any opinion on the financial position, results or cash flows of the Company as of any date or for any period subsequent to March 31, 2018. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
- e) The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company in accordance with the provisions of the Act and the Financial Information referred to above is the responsibility of the management of the Company.
- f) In our opinion, the above financial information contained in Annexure 1 to Annexure 36 of this report read along with the Restated Statement of Significant Accounting Policies and related Notes as set out in Annexure 2 are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with Section 26 of the Act, read with the applicable provisions within Rule - 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, the SEBI Regulations, The Revised Guidance Note on Reports in Company Prospectuses and Guidance Note on Audit Reports/Certificates on Financial Information in Offer Documents issued by the Institute of Chartered Accountants of India ("ICAI") to the extent applicable, as amended from time to time, and in terms of our engagement as agreed with you. We did not perform audit tests for the purpose of expressing an opinion on individual balances of account or summaries of selected transactions, and accordingly, we express no such opinion thereon.
- g) Consequently the financial information has been prepared after making such regroupings and retrospective adjustments as were, in our opinion, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
- h) The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit report, nor should this constructed as a new opinion on any of the financial statements referred to herein.
- i) Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the IPO-SME for Proposed Issue of Equity Shares of the Company and our report should not be used, referred to or distributed for any other purpose without our prior consent in writing.

**For, Mistry & Shah**  
**Chartered Accountants,**  
**Firm Registration Number: 122702W**

**Date:** July 25, 2018  
**Place:** Ahmedabad

**Malav Shah, Partner**  
**Membership Number: 117101**

**RANJEET MECHATRONICS LIMITED**  
**(FORMERLY RANJEET MECHATRONICS PRIVATE LIMITED)**

Annexure I  
(₹ in Lakh)

**RESTATED STATEMENT OF ASSETS AND LIABILITIES**

Sr. No.	Particulars	Notes	As at March 31,				
			2018	2017	2016	2015	2014
	<b>EQUITY AND LIABILITIES</b>						
<b>1)</b>	<b>Shareholders' Funds</b>						
	Share Capital	3	55.00	55.00	55.00	55.00	45.000
	Reserves & Surplus	4	203.67	112.36	61.41	45.33	39.05
	Money received against share warrants		-	-	-	-	-
<b>2)</b>	<b>Share application money pending allotment</b>		-	-	-	-	-
<b>3)</b>	<b>Non-Current Liabilities</b>						
	Long-Term Borrowings	5	595.52	379.17	424.34	474.93	281.24
	Deferred Tax Liabilities (Net)	6	-	-	-	-	-
	Other Long-Term Liabilities	7	-	-	-	-	-
	Long-Term Provisions	8	3.01	1.22	-	-	-
<b>4)</b>	<b>Current Liabilities</b>						
	Short Term Borrowings	9	620.50	629.73	346.86	306.80	272.80
	Trade Payables:	10					
	- Total outstanding dues to Micro Enterprises and Small Enterprises		47.12	-	-	-	-
	- Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		473.23	545.48	699.59	370.40	86.51
	Other Current Liabilities	11	224.21	288.79	122.10	132.23	38.27
	Short Term Provisions	12	19.43	72.25	96.37	12.29	2.10
	<b>Total</b>		<b>2,241.69</b>	<b>2,084.00</b>	<b>1,805.68</b>	<b>1,396.98</b>	<b>764.98</b>
	<b>ASSETS</b>						
<b>5)</b>	<b>Non-Current Assets</b>						
	Property, Plant and Equipment						
	- Tangible Assets	13	228.46	176.01	186.34	191.36	92.96
	- Intangible Assets		-	-	-	-	-
	- Capital Work In Progress		-	30.43	-	-	-
	- Intangible Assets under Development		-	-	-	-	-
	Non-Current Investments	14	-	-	-	-	-
	Deferred Tax Assets (Net)	6	0.05	5.51	3.85	1.77	0.61
	Long-Term Loans and Advances	15	14.03	6.49	7.75	7.22	3.42
	Other Non-current Assets		-	-	-	-	-
<b>6)</b>	<b>Current Assets</b>						
	Current Investment	16	-	-	-	-	-
	Inventories	17	1,206.75	804.05	649.27	456.24	227.03
	Trade Receivables	18	519.35	887.49	828.13	669.44	340.58
	Cash and Cash Equivalents	19	101.18	66.26	47.63	42.86	3.75
	Short-Term Loans and Advances	20	127.79	80.77	73.03	15.85	6.35
	Other Current Assets	21	44.06	26.99	9.67	12.23	90.28
	<b>Total</b>		<b>2,241.69</b>	<b>2,084.00</b>	<b>1,805.68</b>	<b>1,396.98</b>	<b>764.98</b>

**Note:** The above statements should be read with the significant accounting policies appearing in Annexure 2 and other Annexures on notes to Restated Summary Statements of Assets & Liabilities and Statement of Profit & Loss and Statement of Cash Flow.

**For, Mistry & Shah**  
**Chartered Accountants,**  
**Firm Registration Number: 122702W**

**Date:** July 25, 2018  
**Place:** Ahmedabad

**Malav Shah**  
**Partner**  
**Membership Number: 117101**

**RANJEET MECHATRONICS LIMITED**  
(FORMERLY RANJEET MECHATRONICS PRIVATE LIMITED)

Annexure II  
(₹ in Lakh)

**RESTATED STATEMENT OF PROFIT AND LOSS**

Sr. No.	Particulars	Notes	For the year ended March 31,				
			2018	2017	2016	2015	2014
<b>A.</b>	<b>INCOME</b>						
	Revenue from Operations	22	1,778.19	1,760.99	2,525.30	2,361.56	1,063.68
	Other income	23	25.50	2.74	3.38	38.47	26.60
	<b>Total Income (A)</b>		<b>1,803.69</b>	<b>1,763.73</b>	<b>2,528.67</b>	<b>2,400.03</b>	<b>1,090.28</b>
<b>B.</b>	<b>EXPENDITURE</b>						
	Direct Expenses/cost of goods sold	24	1,697.66	1,450.23	2,301.06	2,141.46	971.21
	Changes in Inventories	25	(402.70)	(154.78)	(193.03)	(57.50)	0.21
	Employees Benefit Expenses	26	149.61	165.44	169.92	94.10	19.77
	Finance costs	27	136.42	105.13	120.45	135.54	67.53
	Depreciation and Amortization Expenses	28	28.12	30.02	32.81	34.04	14.01
	Other expenses	29	59.95	92.23	74.20	43.61	11.79
	<b>Total Expenses (B)</b>		<b>1,669.05</b>	<b>1,688.26</b>	<b>2,505.41</b>	<b>2,391.26</b>	<b>1,084.52</b>
<b>C.</b>	<b>Profit/(Loss) before exceptional and extra ordinary items and tax</b>		<b>134.64</b>	<b>75.47</b>	<b>23.26</b>	<b>8.78</b>	<b>5.77</b>
	Exceptional Items						
<b>D.</b>	<b>Profit before extra-ordinary item and tax</b>		<b>134.64</b>	<b>75.47</b>	<b>23.26</b>	<b>8.78</b>	<b>5.77</b>
	Extra ordinary Items		-	-	-	-	-
<b>E.</b>	<b>Profit before tax</b>		<b>134.64</b>	<b>75.47</b>	<b>23.26</b>	<b>8.78</b>	<b>5.77</b>
	<b>Tax expense :</b>						
	Current tax		37.87	26.18	9.27	5.91	2.10
	Deferred Tax		5.46	(1.66)	(2.08)	(2.05)	0.58
	MAT Credit		-	-	-	-	-
	Income tax of prior years					0.01	
	<b>Profit/(Loss) after tax for the period/year (RESTATED)</b>		<b>91.31</b>	<b>50.95</b>	<b>16.08</b>	<b>4.90</b>	<b>3.09</b>

**Note:** The above statements should be read with the significant accounting policies appearing in Annexure 2 and other Annexures on notes to Restated Summary Statements of Assets & Liabilities and Statement of Profit & Loss and Statement of Cash Flow.

**For, Mistry & Shah**  
**Chartered Accountants,**  
**Firm Registration Number: 122702W**

**Date:** July 25, 2018  
**Place:** Ahmedabad

**Malav Shah**  
**Partner**  
**Membership Number: 117101**



**RANJEET MECHATRONICS LIMITED**  
(FORMERLY RANJEET MECHATRONICS PRIVATE LIMITED)

Annexure II  
(₹ in Lakh)

**RESTATED STATEMENT OF CASH FLOWS**

Particulars	For the year ended March 31,				
	2018	2017	2016	2015	2014
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>					
Net Profit before Tax (A)	134.64	75.47	23.26	8.78	5.77
<b>Adjusted for:</b>					
Depreciation and Amortization Expenses	28.12	30.02	32.81	34.04	14.01
Provision for Gratuity					
Loss/(Gain) on Sale of Fixed Assets		0.11			(0.02)
Interest & Finance Cost	136.42	105.13	120.45	135.54	67.53
Interest/ Other Income	(1.91)	(1.90)	(2.52)	(37.81)	(26.58)
<b>Operating Cash Flow Before Working Capital Changes</b>	<b>297.26</b>	<b>208.83</b>	<b>174.00</b>	<b>140.54</b>	<b>60.70</b>
<b>Adjusted for:</b>					
(Increase)/ Decrease in Inventories	(402.70)	(154.78)	(193.03)	(229.21)	0.21
(Increase)/Decrease in Trade Receivables	368.13	(59.35)	(158.72)	(328.87)	55.22
(Increase)/Decrease in Other Current Assets	(17.08)	(17.32)	2.56	78.05	(86.91)
Increase/(Decrease) in Trade Payables and other current liabilities	(89.71)	12.58	319.05	377.83	(106.24)
(Increase)/Decrease in Short Term Loans & Advances	(47.03)	(7.74)	(57.18)	(9.51)	(4.14)
Increase/(Decrease) in Short Term Provision	(90.69)	(24.13)	84.08	10.19	
Increase/(Decrease) in Long Term Provision	1.78	1.22	-	-	-
Increase/(Decrease) in other non-current liabilities	-	-	-	-	(0.40)
<b>Cash flow From Operations Before Extra-Ordinary Items</b>	<b>19.97</b>	<b>(40.69)</b>	<b>170.77</b>	<b>39.03</b>	<b>(81.57)</b>
Add:- Extra-Ordinary Items	-	-	-	-	
<b>Cash flow From Operations</b>	<b>19.97</b>	<b>(40.69)</b>	<b>170.77</b>	<b>39.03</b>	<b>(81.57)</b>
Less: Direct Tax Paid	-	(26.18)	(9.11)	(3.66)	(2.87)
<b>Net Cash Flow from/(used in) Operating Activities: (A)</b>	<b>19.97</b>	<b>(66.87)</b>	<b>161.66</b>	<b>35.37</b>	<b>(84.44)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>					
Purchase of Fixed Assets	(50.13)	(58.12)	(27.80)	(132.43)	(0.32)
Sale of Fixed Assets	-	7.90	-	-	
(Increase) / Decrease in Loans & Advances	(7.54)	1.26	(0.64)	(3.78)	0.76
Interest Received / Other Income	1.91	1.90	2.52	37.81	26.58
(Increase)/decrease in investment	-	-	-	-	1.23
<b>Net cash from investing activities (B)</b>	<b>(55.77)</b>	<b>(47.06)</b>	<b>(25.91)</b>	<b>(98.40)</b>	<b>28.25</b>

<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>					
Interest paid on borrowings	(136.42)	(105.13)	(120.45)	(135.54)	(67.53)
Proceeds/(Repayment) of Borrowings	207.13	237.69	(10.53)	227.69	124.26
Issue of Share Capital	-	-	-	10.00	-
<b>Net cash from financing activities (C)</b>	<b>70.71</b>	<b>132.56</b>	<b>(130.98)</b>	<b>102.14</b>	<b>56.73</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>34.92</b>	<b>18.64</b>	<b>4.76</b>	<b>39.12</b>	<b>0.54</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>66.26</b>	<b>47.62</b>	<b>42.86</b>	<b>3.74</b>	<b>3.21</b>
<b>Cash and cash equivalents at the end of the year*</b>	<b>101.18</b>	<b>66.26</b>	<b>47.62</b>	<b>42.86</b>	<b>3.74</b>

\*Cash and Cash Equivalent comprises of

Particulars	For the year ended March 31,				
	2018	2017	2016	2015	2014
Cash on Hand	33.00	6.99	12.62	20.42	2.62
Balance with Banks in Current Accounts	0.62	16.26	0.29	18.94	0.28
Balance with banks in Deposits Accounts	67.56	43.01	34.71	3.50	0.85
<b>Total</b>	<b>101.18</b>	<b>66.26</b>	<b>47.63</b>	<b>42.86</b>	<b>3.75</b>

**Note:** The above statements should be read with the significant accounting policies appearing in Annexure 2 and other Annexures on notes to Restated Summary Statements of Assets & Liabilities and Statement of Profit & Loss and Statement of Cash Flow.

**For, Mistry & Shah**  
Chartered Accountants,  
Firm Registration Number: 122702W

**Malav Shah**  
Partner  
Membership Number: 117101

**Date:** July 25, 2018  
**Place:** Ahmedabad

The company was originally incorporated as “Ranjeet Electric Private Limited” at Ahmedabad on June 10, 1993, under the provisions of the Companies Act, 1956 vide Certificate of Incorporation issued by the Assistant Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Later on, the name of the Company was changed from “Ranjeet Electric Private Limited” to “Ranjeet Mechatronics Private Limited” and certificate to that effect was issued by Deputy Registrar of Companies, Registrar of Companies, Ahmedabad on February 3, 2016. Consequent up on the conversion of the Company from Private Limited Company to Public Limited Company, the name of the Company was changed to “Ranjeet Mechatronics Limited” and fresh Certificate of Incorporation was issued by the Deputy Registrar of Companies, Registrar of Companies, Ahmedabad on May 28, 2018. The registered office of the Company is situated Block A, 407 - 4th Floor, Dev Aurum, Anand Nagar Cross Road, Prahladnagar Road, Ahmedabad – 380 015, Gujarat.

The vision of the company is to achieve operational excellence by adapting latest technology and Innovations, Global recognition as a reliable supplier for medium to large size critical iron castings.

We would like to mention that RMPL is carrying on business as providers of various important & essential building services such as Mechanical, Plumbing, Firefighting, Low Voltage, Electrical, Safety, Security, IBMS, CCTV, Energy Saving, Consultancy Services, Electrical and Green Building Solutions, conceptualizing, budgeting, designing, supplying, installing, testing, commissioning and maintaining, Electrical, electronic and mechanical engineers and to manufacture all kinds of electrical / electronic machines and apparatus for any purpose what so ever and to manufacture, sell, supply, lay down, establish, fix, carry out and deal in industrial pumps, valves, diesel engines, electrical motors, motorized machinery and equipments, DC/AC drives, mono blocks, generating sets, flexible couplings, spare parts, pipes made from various types of materials, hardware and other machineries, equipments of all types including fabrication and plants and to undertake and/or carry on anywhere in India or abroad all or any of the business of traders, buyers, sellers, exporters, importers, in debtors, agents, brokers, assemblers, stockiest distributors and dealers of and in all kind of electrical, electronics and engineering goods, materials, merchandise articles.

**Significant Accounting Policies****Annexure – 2****Basis of accounting and preparation of financial statement:**

The summary statement of restated assets and liabilities of the Company as at March 31, 2018 and as at March 31, 2017, 2016, 2015 and 2014 and the related summary statement of restated profit and loss and cash flows for the period ended March 31, 2018 and as at March 31, 2017, 2016, 2015 and 2014 (collectively referred to as the “Restated summary financial information”) have been prepared specifically for the purpose of inclusion in the offer document to be filed by the Company in connection with the proposed Initial Public Offering ( hereinafter referred to as ‘IPO’).

The restated summary financial information has been prepared by applying necessary adjustments to the financial statements (‘financial statements’) of the Company. The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the accounting standards specified under section 133 of the Companies Act, 2013, of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 (“the 2013 Act”) / Companies Act, 1956 (“the 1956 Act”), as applicable and Securities and Exchange Board of India(Issue of Capital and Disclosure Requirements) regulations 2009, as amended(the “Regulations”). The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistently applied.

**Use of Estimates:**

The preparation of financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosures of contingent liabilities. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual results could differ from the estimates.

**Property Plant and Equipment (Tangible / Intangible)&Capital Work-In-Progress:**

Depreciation on Tangible Assets is provided on the “Written Down value” Method, as per the useful life of assets prescribed in Part C of Schedule II of Companies Act, 2013.

Depreciation on addition to assets or sale/disposal of assets is calculated pro rata from the date put to use or up to the date of sale/disposal, as the case may be.

Intangible assets which consist of computer software is amortized over a period of three years.

Borrowing costs that are attributable to acquisition, construction or erection of qualifying assets incurred during the period of acquisition or construction, are capitalized as part of the cost of the asset. Other borrowing costs are recognised as expenditure in the period in which they are incurred.

#### **Depreciation and Amortization:**

Depreciation on tangible assets is provided on “Written down Value Method” over the useful lives specified in Part C of Schedule II of Companies Act, 2013. The impact of the change in useful life of the fixed assets has been considered in accordance with the provision of Schedule II. Further no depreciation is charged on Tangible Assets under Work-in-Progress.

In respect of additions to /deletions from the Fixed Assets, on pro-rata basis with reference to the month of addition/deletion of the assets.

The Management estimates are based on the useful life provided in the Schedule II to Companies Act 2013, however for certain assets the Management estimates differ from the useful life mentioned in Schedule II.

#### **Impairment of tangible and intangible assets:**

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If an indication exists, the company estimates the asset's recoverable amount. The recoverable amount is determined for an individual assets, unless the assets does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an assets exceeds its recoverable amount the assets is considered impaired and is written down to its recoverable amount. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the company estimates the asset's recoverable amount. A previously recognized impairment loss is changed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized.

#### **Valuation of Inventories:**

Raw material, Stores & Spares are valued at lower of cost or net realizable value. Cost includes cost of purchases and incidental expenses incurred in bringing the inventories to their present locations and conditions. Cost is arrived at mainly on the basis of Weighted Average Method.

Work in Progress and Finished goods are valued at lower of cost or net realizable value. Cost includes direct material, labour cost and proportion of manufacturing overheads based on the normal operating capacity. Finished goods lying in the factory premises are valued inclusive of Excise duty.

The inventory of patterns purchased and held for sale is valued at lower of cost and net realizable value. The cost comprises of all the costs of purchases and other costs incurred in bringing the inventories to their present location and condition.

#### **Prior Period Adjustments / Exceptional Items:**

All identifiable items of Income and Expenditure pertaining to prior period are accounted as “Prior Period Items”. “Exceptional items” are accounted depending on the nature of transaction.

#### **Event Occurring After Balance Sheet Date:**

As per AS 4 Events occurring after the balance sheet date are those significant events, both favorable and unfavorable, that occur between the balance sheet date and the date on which the financial statements are approved by the Board of Directors in the case of a company, and, by the corresponding approving authority in the case of any other entity.

These events can broadly be classified in two ways:

- a) Those which provide further evidence of conditions that existed at the balance sheet date; and
- b) Those which are indicative of conditions that arose subsequent to the balance sheet date.

Adjustments to assets and liabilities are required for events occurring after the balance sheet date that provide additional information materially affecting the determination of the amounts relating to conditions existing at the balance sheet date.

**Investments:****Recognition and Measurement**

Long-term investments, are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties. On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

**Revenue Recognition:****Income from Sale of Goods**

Revenue from sale of goods is recognised on dispatch to customer. Sales value is inclusive of excise duty and export benefit, if any, and net of sales tax, GST, sales returns.

Revenue in respect of export Incentives is recognized only when it is reasonably certain that the ultimate collection will be made.

**Interest**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

**Employee Benefits:****• Short Term Employee Benefits:**

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, performance incentives, etc., are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the employee renders the related service.

**• Post-Employment Benefits:****a) Defined Contribution Plans**

Payments made to a defined contribution plan such as Provident Fund is charged as an expense in the Statement of Profit and Loss as they fall due.

**b) Defined Benefit Plans**

For defined benefit plans in the form of Gratuity Fund, the cost of providing benefits is determined using the Projected Unit Credit (PUC) method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur.

Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested.

The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

**Foreign Currency Transactions:**

All foreign currency transactions are accounted for at the rates prevailing on the date of the transaction. The short term and long term monetary items are restated at the rate of exchange prevailing on the date of Balance Sheet. The exchange differences on settlement / restatement are adjusted to Profit and Loss Account.

**Borrowing Costs:**

Borrowing costs that are attributable to acquisition, construction or erection of qualifying assets incurred during the period of acquisition or construction, are capitalized as part of the cost of the asset. Other borrowing costs are recognised as expenditure in the period in which they are incurred.

**Leases:**

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis.

**Earnings Per Share (EPS):**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**Taxes on Income:**

Tax expense comprises both current and deferred taxes. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date.

Provision for taxation is made on the basis of the taxable profits, computed for the current accounting period in accordance with the provisions of the Income Tax Act 1961. Deferred Tax resulting from timing difference between book profits and tax profits is accounted for at the applicable rate of tax to the extent timing differences are expected to crystallize, in the case of deferred tax liabilities with reasonable certainty and in case of deferred tax assets with virtual certainty that there would be adequate future taxable income against which deferred tax assets can be realized, applying the tax rates that have been substantively enacted by the Balance Sheet date.

**Provisions and Contingent Liability:**

Necessary provisions are made for the present obligations that arise out of past events entailing future outflow of economic resources. Such provisions reflect best estimates based on available information.

However a disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

**Cash and Cash Equivalents (for the purpose of Cash Flow Statement):**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand, fixed deposits with banks, which are short term, Current portion in Fixed Deposits with maturity for more than 3 months.

**Cash Flow Statement:**

Cash flows are reported using the indirect method, whereby profit / loss before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated based on available information.

**Provision for change in accounting policy:**

No Accounting Policies have been changed during the period.

**General Notes:**



Previous Year's figures have been regrouped / reclassified wherever necessary to correspond with current year's classification / disclosure.

### Information related to MSME

Only Himgiri Engineers and Shrividya Engineers has confirmed their status as MSME. Rest none of the supplier have confirmed their status under the Micro, Small and Medium Enterprise Development Act, 2006, and hence disclosure has been given based on the information available.

### Changes in accounting policies in the periods/years covered in restated financials

There is no change in significant accounting policies adopted by the Company.

### Notes on Restatements made in the Restated Financials

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

### 3. Employee benefits:

The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits as per an actuarial valuation in restated financials though such valuation is carried out by Life Insurance Corporation of India. Liability for balance of leave as on the last date of the year is fully provided on actuarial basis. Liability on account of retirement benefits such as provident fund are administered through separate funds. Contribution to provident fund are accounted for at respective specified rates. Gratuity is accounted on the basis of actuarial valuation, Method of valuation of Gratuity adopted by Actuary is 'Projected Unit Credit Method'. The disclosures as envisaged under the standard are as under:

(₹ in Lakh)

Particulars	2017-18	2016-17	2015-16	2014-15	2013-14
<b>1. The amounts recognized in the Balance Sheet are as follows:</b>					
Present value of obligations Recognized	3.25	1.23	-	-	-
<b>Net Liability</b>	<b>3.25</b>	<b>1.23</b>	-	-	-
Current Service Cost	3.25	1.23	-	-	-
Interest on Defined Benefit Obligation	0.08	-	-	-	-
Net Actuarial Losses / (Gains) Recognized in Year	0.36	-	-	-	-
Benefits Paid	-	-	-	-	-
Past Service Cost	-	-	-	-	-
Total, Included in "Salaries, Allowances & Welfare"	1.8	1.23	-	-	-
<b>Benefit Description</b>					
Benefit type:	Gratuity Valuation as per Act				
Retirement Age:	60 Years	60 Years	60 Years	60 Years	60 Years
Vesting Period:	5 Years	5 Years	5 Years	5 Years	5 Years
The principal actuarial assumptions for the above are:					
Future Salary Rise:					
Discount rate per annum:	7.5%	7.25%	-	-	-
Mortality Rate:	1.15%	1.15%	-	-	-

### 4. Segment Reporting (AS 17)

The Company is required to disclose the information required by Accounting Standard-17. No separate segments however, have been reported as the company does not have more than one Business Segment within the meaning of Accounting Standard – 17.

#### 5. Change in Accounting Estimate

In Restated financials the Company has calculated the depreciation based on the rates given in Schedule XIV of the Companies Act, 1956 till March 31, 2014 and after March 31, 2014 based on the rates given in Schedule II of the Companies Act, 2013. In respect of assets whose useful life had already exhausted as on April 1, 2014, has been adjusted in Reserves and Surplus in accordance with requirements of Para 7 of Part C of Schedule II of the Act.

#### 6. Provisions, Contingent Liabilities and Contingent Assets (AS 29)

Necessary provisions are made for the present obligations that arise out of past events entailing future outflow of economic resources. Such provisions reflect best estimates based on available information.

However a disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

#### 7. Related Party Disclosure (AS 18)

Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Annexure 38 of the enclosed financial statements.

#### 8. Accounting For Taxes on Income (AS 22)

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

(₹ in Lakh)

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
<b>Deferred Tax Assets</b>					
Related to Fixed Assets	-	-	2.08	2.05	.32
Disallowance under the Income Tax Act	-	1.66	-	-	-
Provision for Gratuity	-	-			
Statutory Liabilities not likely to be paid before filing IT Return	-	-	-	-	-
Unabsorbed Losses	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>1.66</b>	<b>2.08</b>	<b>2.05</b>	<b>.32</b>
<b>Deferred Tax Liability</b>					
Related to Fixed Assets	-	-	-	.02	
Related to unpaid statutory dues					.90
Disallowance under the Income Tax Act	5.46	-	-	-	-
<b>Total</b>	<b>5.46</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>.90</b>
<b>Net Deferred Tax (Asset)/Liability</b>	<b>5.46</b>	<b>(1.66)</b>	<b>(2.08)</b>	<b>(2.04)</b>	<b>0.58</b>
Opening Balance of Deferred Tax (Asset)/Liability	(5.51)	(3.85)	(1.77)	.27	(1.19)
<b>Net Closing Balance of Deferred Tax (Asset)/Liability</b>	<b>(0.05)</b>	<b>(5.51)</b>	<b>(3.85)</b>	<b>(1.77)</b>	<b>(.61)</b>

**Restated Statement of Share Capital**

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
<b>Authorized</b>					
No. of equity shares of ₹ 10 each	6.20	6.20	6.20	6.20	4.50
Authorized Capital (₹)	62.00	62.00	62.00	62.00	45.00
<b>Issued, Subscribed &amp; Paid Up</b>					
No. of equity shares of ₹ 10 each (fully paid up)	5.50	5.50	5.50	5.50	4.50
Paid up Capital	55.00	55.00	55.00	55.00	45.00
<b>Total</b>	<b>55.00</b>	<b>55.00</b>	<b>55.00</b>	<b>55.00</b>	<b>45.00</b>

**Notes:**

**3.1. Right, Preferences and Restrictions attached to Shares:**

The Company has one class of equity shares having a par value of ₹ 10/- per share. Each Shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion of their shareholding.

**3.2.**

- (1) The figures disclosed above are based on the Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow.
- (2) The above statements should be read with the significant accounting policies and notes to Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow appearing in Annexure 2, I, II III.

**3.3. Reconciliation of No. of Shares Outstanding at the beginning and at the end of the reporting period:**

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
<b>Equity Shares of ₹ 10/- each, fully paid up:</b>					
<b>(A) No. of Shares</b>					
At the beginning of the year	549,995	549,995	549,995	449,995	449,995
Issued during the year/period	-	-	-	100,000	-
Bonus Shares issued during the year/period	-	-	-	-	-
Bought back during the year/period	-	-	-	-	-
Other movement (please specify)	-	-	-	-	-
<b>At the end of the year/period</b>	<b>549,995</b>	<b>549,995</b>	<b>549,995</b>	<b>549,995</b>	<b>449,995</b>
<b>(B) Amount of Paid up Capital (₹)</b>					
At the beginning of the year	5,499,950	5,499,950	5,499,950	4,499,950	4,499,950
Issued during the year/period	-	-	-	1,000,000	-
Bonus Shares issued during the year/period	-	-	-	-	-
Bought back during the year/period	-	-	-	-	-
Other movement (please specify)	-	-	-	-	-
<b>At the end of the year/period</b>	<b>5,499,950</b>	<b>5,499,950</b>	<b>5,499,950</b>	<b>5,499,950</b>	<b>4,499,950</b>

**3.4. Details of Shareholding more than 5% of the aggregate shares in the Company:**

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
<b>Rakesh V Swadia</b>					
No. of Equity Shares of ₹ 10 each	230530	230530	230530	230530	202330
% of holding	41.91%	41.91%	41.91%	41.91%	44.96%
<b>Nita R Swadia</b>					
No. of Equity Shares of ₹ 10 each	117170	117170	117170	117170	107170
% of holding	21.30%	21.30%	21.30%	21.30%	23.82%
<b>Devarshi R Swadia</b>					
No. of Equity Shares of ₹ 10 each	93810	93810	93810	93810	66410
% of holding	17.06%	17.06%	17.06%	17.06%	14.76%
<b>Manisha V Swadia</b>					
No. of Equity Shares of ₹ 10 each	33990	33990	33990	33990	26990
% of holding	6.18%	6.18%	6.18%	6.18%	6.00%

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
<b>Rakesh V Swadia HUF</b>					
No. of Equity Shares of ₹ 10 each	42000	42000	42000	42000	42000
% of holding	7.64%	7.64%	7.64%	7.64%	9.33%

**Annexure – 4**

**Restated Statement of Reserves and Surplus**

(₹ in Lakh)

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
<b>General Reserve</b>					
Balance as at the beginning of the year	-	-	-	-	-
Add: Addition during the year	-	-	-	-	-
Balance as at the end of the year	-	-	-	-	-
<b>Share Premium</b>	12.00	12.00	12.00	12.00	12.00
<b>Balance in Statement of Profit &amp; Loss</b>					
Balance as at the beginning of the year	100.36	49.41	33.33	27.05	23.96
Add: Profit for the year	91.31	50.95	16.08	4.90	3.09
Less: Diminishing Value of Investment	-	-	-	-	-
Less: Transfer to general Reserves	-	-	-	-	-
Less: Additional Depreciation pursuant to change in law	-	-	-	-	-
Less: Adjustment on account of Taxation	-	-	-	-	-
Add: MAT Credit	-	-	-	-	-
Balance as at the end of the year	<b>191.67</b>	<b>100.36</b>	<b>49.41</b>	<b>33.33</b>	<b>27.05</b>
<b>Total</b>	<b>203.67</b>	<b>112.36</b>	<b>61.41</b>	<b>45.33</b>	<b>39.05</b>

**Notes:**

- (1) The figures disclosed above are based on the Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow.
- (2) The above statements should be read with the significant accounting policies and notes to Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow appearing in Annexure 2, I, II III.

**Annexure – 5**

**Restated Statement of Long Term Borrowings**

(₹ in Lakh)

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
<b>Secured:</b>					
<b>Term Loan:</b>					
A) From Banks:	-	-	-	-	10.29
B) From NBFC:	129.08	136.31	139.73	140.88	-
Car loan	10.69	12.74	10.88	13.10	
<b>Unsecured:</b>					
<b>Term Loan:</b>					
A) From Banks	53.46	79.69	50.55	43.93	55.95
B) From NBFC:	114.27				
<b>From Related Parties:</b>					
A) Directors and Relatives	269.98	136.53	208.54	277.02	214.99
B) From others	18.05	13.90	14.65	-	-
<b>Total</b>	<b>595.52</b>	<b>379.17</b>	<b>424.34</b>	<b>474.93</b>	<b>281.24</b>

**Notes:**

- (1) The figures disclosed above are based on the Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow.
- (2) The above statements should be read with the significant accounting policies and notes to Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow appearing in Annexure 2, I, II III.

**(3) Statement of Principal Terms of Secured Loans And Assets Charged As Security**

Name of Lender	Purpose	Date of Sanction/ Disbursed	Sanctioned Amount (₹ in Lakh)	Rate of interest per Annum	Repayment terms	Outstanding amount toward Long Term Borrowing as at March 31, 2018 (as per Books) (₹ in Lakh)	Outstanding amount towards Other Current Liabilities as at March 31, 2018 (as per Books) (₹ in Lakh)	Securities Offered
<b>Secured</b>								
<b>A) From Bank</b>								
<b>Car Loans</b>								
HDFC Bank Limited	Car Loan	January 1, 2017	5.00	9.25%	Payable in 60 monthly installments of ₹ 10,441/- commencing from February 5, 2017	3.11	0.91	Hypothecation of Vehicle
HDFC Bank Limited	Car Loan	November 26, 2014	8.50	10.50%	Payable in 60 monthly installments of ₹ 18,110/- commencing from December 5, 2014	1.39	1.91	Hypothecation of Vehicle
ICICI Bank Limited	Car Loan	January 12, 2017	10.00	9.10%	Payable in 60 monthly installments of ₹ 20,810/- commencing from February 1, 2017	6.18	1.84	Hypothecation of Vehicle on lease
<b>B) From NBFC</b>								
India Bulls Housing Limited	Purchase of Property (Commercial Loan)	June 12, 2015	78.29	13.00%	Payable in 167 monthly installments of ₹ 1,01,623/- commencing from August 5, 2015	68.87	3.02	A 407, Dev Aurum Showroom and Office, Anandnagar Cross Road, Opp. Madhu Hall, 100 Ft. Road, Prahaladnagar, Ahmedabad – 382 110
India Bulls Housing Limited	Purchase of Property (Commercial Loan)	June 12, 2015	68.43	13.00%	Payable in 167 monthly installments of ₹ 88,819 commencing from August 5, 2015	60.20	2.64	A 408, Dev Aurum Showroom and Office, Anandnagar Cross Road, Opp. Madhu Hall, 100 Ft. Road, Prahaladnagar, Ahmedabad – 382 110

**(4) Statement of Principal Terms of Unsecured Loans**

Name of Lender	Purpose	Date of Sanction/ Disbursed	Sanctioned Amount (₹ in Lakh)	Rate of interest per Annum	Repayment terms	Outstanding amount as toward Long Term Borrowing at March 31, 2018 (as per Books) (₹ in Lakh)	Outstanding amount towards Other Current Liabilities as at March 31, 2018 (as per Books) (₹ in Lakh)
<b>Term Loans</b>							
<b>A) From Banks</b>							
Deutsche Bank	Business Loan (Medium Term Working Capital)	July 31, 2017	50.00	12.75%	Payable in 36 monthly installments of ₹ 1,67,868/- commencing from May 5, 2017	20.39	16.38
ICICI Bank Limited	Business Loan	April 3, 2017	23.00	15.75%	Payable in 36 monthly installments of ₹ 80,404/- commencing from May 10, 2017	9.59	7.49
IndusInd Bank Limited	Business Loan (Working Capital)	March 26, 2018	25.00	18.51%	Payable in 24 monthly installments of ₹ 1,21,277/- commencing from May 4, 2018	15.16	9.83
HDFC Bank Limited	Business Loan	April 7, 2017	20.00	15.50%	Payable in 36 monthly installments of ₹ 69,821/- commencing from May 4, 2017	8.30	6.53
<b>B) From NBFC</b>							
Bajaj Finserv Limited	Business Loan	May 31, 2016	30.00	19.24%	Payable in 36 monthly installments of ₹ 1,41,621/- commencing from July 2, 2016	2.17	8.45
Capital First Limited	Business Loan (Commercial)	March 24, 2017	30.00	8.19%	Payable in 36 monthly installments of ₹ 1,54,372/- commencing from May 5, 2017	7.52	9.39
Edelweiss Retail Finance Limited	Business Loan	March 31, 2017	40.08	17.00%	Payable in 48 monthly installments of ₹ 1,15,665 commencing from April 5, 2017	24.21	8.92
Magma Fincorp Limited	Business Loan	May 1, 2017	25.00	16.50% (Reducing)	Payable in 36 monthly installments of ₹ 88,512/- commencing from May 7, 2017	10.47	8.15
Religare Finvest Limited (Hspl)	Business Loan	August 20, 2015	17.17	Floating	Payable in 36 monthly installments commencing from September 1, 2015	-	0.95
Shriram City Union Finance Limited	Business Loan	April 21, 2017	25.00	8.63%	Payable in 24 monthly installments of ₹ 1,24,810/- commencing from May 5, 2017	1.23	13.34
Aditya Birla Finance Limited	Business Loan	March 22, 2018	30.00	19.59%	Payable in 36 monthly installments of ₹ 1,78,918/- commencing from May 5, 2018	14.25	15.52
Avanse Financial Services Limited	Business Loan	March 24, 2018	30.10	18.50%	Payable in 24 monthly installments of ₹ 1,51,000/- commencing from April, 2018	16.43	13.67

Bajaj Finance Limited	Business Loan	May 31, 2015	22.90	-	Payable in 36 monthly installments commencing from July 2, 2015	-	0.55
Bajaj Finance Limited	Business Loan	February 28, 2018	23.00	18.43%	Payable in 36 monthly installments of ₹ 1,05,838/- commencing from April 2, 2018	13.79	9.21
Capital First Limited	Business Loan	March 23, 2018	23.46	7.44%	Payable in 36 monthly installments of ₹ 1,31,535/- commencing from May 2, 2018	12.31	11.15
India Infoline Finance Limited	Business Loan	March 26, 2018	25.00	13.56%	Payable in 36 monthly installments of ₹ 1,50,359/- commencing from May 3, 2018	11.90	13.09

**(5) Statement of Terms & Conditions of Unsecured Loans from Directors/Promoters/Promoter Group /Associates/Relatives of Directors/Group Companies/other entities**

Name of Lender	Nature	Rate of interest	Re-Payment Schedule	Outstanding amount as at March 31, 2018 (as per Books) (₹ in Lakh)
Devarshi Rakeshbhai Swadia	Unsecured	-	On Demand	104.83
Manishaben Devarshi Swadia	Unsecured	-	On Demand	25.50
Nitaben R. Swadia	Unsecured	-	On Demand	39.77
Rakesh Vallabhbhai Swadia	Unsecured	-	On Demand	95.97
Ahalya Devarshi Swadia	Unsecured	-	On Demand	3.05
Shrividya Devarshi Swadia	Unsecured	-	On Demand	0.85
Devarshi Rakeshbhai Swadia HUF	Unsecured	-	On Demand	4.52
Rakesh Vallabhbhai Swadia HUF	Unsecured	-	On Demand	8.19
Shailja Nikul Patel (Shailja Swadia)	Unsecured	-	On Demand	5.32



## Annexure – 6

## Restated Statement of Deferred Tax (Assets)/Liabilities (Net)

(₹ in Lakh)

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
<b>Deferred Tax Assets</b>					
On timing differences on depreciation on Fixed Assets	-	-	2.08	2.05	0.32
Disallowance under the Income Tax Act	-	1.66	-	-	-
Prior Period Adjustment	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>1.66</b>	<b>2.08</b>	<b>2.05</b>	<b>0.32</b>
<b>Deferred Tax Liability</b>					
On timing difference on unpaid statutory dues	-	-	-	-	0.90
On timing differences on depreciation on Fixed Assets	5.46	-	-	0.02	-
<b>Total</b>	<b>5.46</b>	<b>-</b>	<b>-</b>	<b>0.02</b>	<b>0.90</b>
<b>Net Deferred Tax (Asset)/Liability</b>	<b>5.46</b>	<b>(1.66)</b>	<b>(2.08)</b>	<b>(2.04)</b>	<b>0.58</b>
Opening Balance of Deferred Tax (Asset)/Liability	(5.51)	(3.85)	(1.77)	0.27	(1.19)
<b>Net Closing Balance of Deferred Tax (Asset)/Liability</b>	<b>(0.05)</b>	<b>(5.51)</b>	<b>(3.85)</b>	<b>(1.77)</b>	<b>(0.61)</b>

## Notes:

- (1) The figures disclosed above are based on the Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow.
- (2) The above statements should be read with the significant accounting policies and notes to Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow appearing in Annexure 2, I, II III.
- (3) Opening balance of deferred tax liability for the F.Y 2014-15 has been taken as per the merged figure of Himigiri Solutions Private Limited, Destiny Zone Security System Private Limited and Ranjeet Mechatronics Private Limited.

## Annexure – 7

## Restated Statement of Other Long Term Liabilities

(₹ in Lakh)

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
Other long-term liabilities	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Notes:

- (1) The figures disclosed above are based on the Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow.
- (2) The above statements should be read with the significant accounting policies and notes to Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow appearing in Annexure 2, I, II III.

## Annexure – 8

## Restated Statement of Long-Term Provisions

(₹ in Lakh)

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
<b>Provision for employee benefits</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Contribution to Gratuity Fund	3.01	1.22	-	-	-
<b>Total</b>	<b>3.01</b>	<b>1.22</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Notes:

- (1) The figures disclosed above are based on the Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow.
- (2) The above statements should be read with the significant accounting policies and notes to Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow appearing in Annexure 2, I, II III.

**Restated Statement of Short Term Borrowings**

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
<b>Secured Loan Repayable on Demand :</b>					
Working capital loan	-	629.73	346.86	306.80	272.80
from banks ( cash credit)	444.50	-	-	-	-
from NBFC ( Overdraft )	176.00	-	-	-	-
<b>Total</b>	<b>620.50</b>	<b>629.73</b>	<b>346.86</b>	<b>306.80</b>	<b>272.80</b>

**9.1. Statement of Principal Terms and Conditions:**

Name of Lender	Rate of interest/ Commission	Securities offered	Sanctioned Amount (₹ in Lakh)	Outstanding amount as on March 31, 2018 (as per Books) (₹ in Lakh)
<b>Secured</b>				
<b>From Bank</b>				
HDFC Bank CC Shyamal (Working Capital Loan)	10.20%	Refer Note 9.1.1	460.00	444.50
HDFC Bank Guarantee and Letter of Credit (Refer Annexure – 33)	1.25%	Refer Note 9.1.1	475.00	320.17
<b>From NBFC</b>				
Bajaj Finance Ltd. (Housing) (Working Capital Loan)	10.90%	Refer Note 9.1.2	176.00	176.00

9.1.1. Details of securities for secured loans are as under;

**Primary and Collateral Securities**

- Hypothecation of Stock in trade, consisting of raw materials, good in process of manufacturing finished goods, and other merchandise whatsoever being movable properties now stored or which may hereafter be brought into or stored at the premises, factories or warehouses or at any such place of the Borrower, any of above which is or may be in course of transit or awaiting transit by any mode of transport to the Borrowers' factory or premises or at any other place whatsoever and whosoever in the borrower's possession or occupation or at any other premises or place and/or
- Hypothecation of all the Debts, that is all the book debts 120 days, outstanding, monies receivable, claims, bills, invoice documents, contracts, guarantees, and rights which are now due and owing or which may at any time hereafter during the continuance of this security becomes due and owing to the Borrower in the course of its business by any person, firm, company or body corporate or by a government department or office or any municipal or local or public or semi-government body or authority or anybody corporate or undertaking or project whatever in the public sector.
- The Fixed Deposits / Cash Deposits of the Company aggregating Rs.71.25 Lakhs.

Property Description	Type of Property (Residential / Commercial)	Area (In acres)	Market Value (₹)
Residential property const cost ₹ 16.65 Lakhs A92, 9th floor shanta Nagar navrangpura Sr. No. 2375.2376, FP No. 114P TP No. 19380009NR Darpan six Road	Residential Property	1665	8825000
Residential property -const-cost-1080000 Flat No. 807, Block D, 8th Floor Riverside. Parkop shantabag society shahwadi S. No. 576P, 577P, FP No. 38 and 39, TPS No. 94NR vaishali, Township 380001NR Vaishali Township Opp Shantabag society.	Residential Flat	900	3015000
Commercial const-cost ₹ 9.72 Lakhs 213 and 214, 2nd floor Tulsi shop and associates sub Plot no. 10,11,12 FP No. 294,295,296.	Commercial Office	972	5346000
Commercial const-cost ₹ 7 Lakhs, Celler no. 4,5,6 Tulsi shop and offices, Mithakali six road, Sub plot No. 10,11,12.	Commercial Shop	700	2800000
Commercial office 4th Floor 407 A, Prahladnagar Dev Aurum, Anand Nagar cross road.	Commercial Office	521	3907500

Property Description	Type of Property (Residential / Commercial)	Area (In acres)	Market Value (₹)
Residential Plot (Lower value plus 10% markup considered) Plot no. 47 A ,Off spring road, Applewoods.	Residential Open Land	18000	33262000

**The loans are further secured by personal guarantee of directors and others as named hereunder:**

- |  |   |
|--|---|
| i. Rakesh Vallabhai Swadia (Director)  | ii. Manisha Devarshi Swadia (the then Director) |
| iii. Devarshi Rakesh Swadia (Director) | iv. Raju Mishra (the then Director)             |
| v. Nita Rakesh Swadia (Director)       |   |

9.1.2. Working Capital Loan is secured by Mortgage of property situated at Flat No. A/201, 2<sup>nd</sup> Floor, Ashavari Tower, Nr. Wide Angle Cinema, Satellite, Ahmedabad – 380 015.

**Annexure – 10**  
**(₹ in Lakh)**

**Restated Statement of Trade Payables**

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
<b>Trade Payable</b>					
<b>- Total outstanding dues to Micro Enterprises and Small Enterprises</b>	-	-	-	-	-
For Goods - (Refer note (3))	47.12	-	-	-	-
<b>- Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises</b>	-	-	-	-	-
For Goods	373.34	493.05	699.59	370.40	86.51
For Capital Goods	4.72	52.43	-	-	-
For Expenses	4.77	-	-	-	-
For Service	90.39	-	-	-	-
<b>Total</b>	<b>520.35</b>	<b>545.48</b>	<b>699.59</b>	<b>370.40</b>	<b>86.51</b>

**Notes:**

- The figures disclosed above are based on the Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow.
- The above statements should be read with the significant accounting policies and notes to Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow appearing in Annexure 2, I, II III.
- Above dues to Micro Enterprise and small enterprise denotes trade payable to “Himgiri Engineers” and “Shrividya Engineers”. Rest none of the suppliers have confirmed their status as MSME.

**Annexure – 11**  
**(₹ in Lakh)**

**Restated Statement of Other Current Liabilities**

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
<b>Current maturities of long term borrowings:</b>					
Term loan from Bank	23.85	-	-	-	3.40
Term loan from NBFC	134.46	-	-	76.69	24.30
Current maturities of long-term debt	-	77.27	83.95	-	-
Current maturities of finance lease obligations	4.68	9.16	8.15	-	-
Advance against Order	23.67	176.18	6.26	49.32	-
Outstanding liabilities	-	-	-	-	10.58
<b>Other Payables</b>	-	26.18	-	-	-
Statutory Liabilities	37.54	-	23.74	6.22	-
<b>Total</b>	<b>224.21</b>	<b>288.79</b>	<b>122.10</b>	<b>132.23</b>	<b>38.27</b>

**Notes:**

- (1) The figures disclosed above are based on the Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow.
- (2) The above statements should be read with the significant accounting policies and notes to Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow appearing in Annexure 2, I, II III.

**Annexure – 12**  
**(₹ in Lakh)**

**Restated Statement of Short Term Provisions**

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
Provision for Income Tax (Current Year)	-		-	2.25	2.10
<b>Provision for employee benefits</b>					
Salary & Reimbursements	16.05	68.57	93.50	7.12	-
Provident Fund payable	0.98	0.68	0.31	0.32	-
Gratuity Fund payable	0.03	0.01			
ESIC Payable	0.09	0.16	-	-	-
Provision for Expense	2.27	2.83	2.56	2.60	-
<b>Total</b>	<b>19.43</b>	<b>72.25</b>	<b>96.37</b>	<b>12.29</b>	<b>2.10</b>

**Notes:**

- (1) The figures disclosed above are based on the Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow.
- (2) The above statements should be read with the significant accounting policies and notes to Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow appearing in Annexure 2, I, II III.

## Restated Statement of Fixed Assets

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
<b>TANGIBLE ASSETS</b>					
<b>Plant &amp; Machinery</b>					
Gross Block	6.23	6.23	5.23	0.56	-
Less: Accumulated Depreciation	2.39	1.54	0.65	0.09	-
Net Block	3.84	4.69	4.58	0.47	-
<b>Furniture &amp; Fixtures</b>					
Gross Block	54.61	16.85	16.85	16.85	16.85
Less: Accumulated Depreciation	14.43	13.45	12.12	10.27	7.67
Net Block	40.18	3.40	4.73	6.58	9.18
<b>Vehicles</b>					
Gross Block	78.55	78.16	68.66	54.30	42.94
Less: Accumulated Depreciation	54.65	43.76	39.34	27.25	17.72
Net Block	23.90	34.40	29.32	27.05	25.22
<b>Office Equipment</b>					
Gross Block	27.74	25.16	21.86	18.83	12.01
Less: Accumulated Depreciation	13.00	19.92	16.51	13.03	7.62
Net Block	14.74	5.24	5.35	5.80	4.39
<b>Computers And Data Processing Units</b>					
Gross Block	15.32	-	-	-	-
Less: Accumulated Depreciation	7.09	-	-	-	-
Net Block	8.22	-	-	-	-
<b>Electrical Installations And Equipment</b>					
Gross Block	8.51	-	-	-	-
Less: Accumulated Depreciation	2.54	-	-	-	-
Net Block	5.97	-	-	-	-
<b>Building</b>					
Gross Block	212.45	196.45	196.45	190.27	76.59
Less: Accumulated Depreciation	80.85	68.16	54.09	38.81	22.41
Net Block	131.61	128.28	142.36	151.46	54.18
<b>Total</b>	<b>228.46</b>	<b>176.01</b>	<b>186.34</b>	<b>191.36</b>	<b>92.96</b>
<b>CAPITAL WORK IN PROGRESS</b>	-	30.43	-	-	-
<b>Total Non-current assets</b>	<b>228.46</b>	<b>206.44</b>	<b>186.34</b>	<b>191.36</b>	<b>92.96</b>

**Notes:**

- (1) The figures disclosed above are based on the Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow.
- (2) The above statements should be read with the significant accounting policies and notes to Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow appearing in Annexure 2, I, II III.
- (3) Profit on sale of cars ₹ 25016 (sales value ₹ 1650001, WDV ₹ 1624985) transferred to Profit & Loss Account
- (4) None of the assets are given on operating lease to others as at the balance sheet date.
- (5) Additions to fixed assets are net off cenvat credit availed during the year.
- (6) Four vehicles are owned by the directors of the company.
- (7) Gross block of building includes non-current investments represented by 5 shares of Democratic Housing society amounting to ₹ 250.

**Annexure – 14**  
**(₹ in Lakh)**

**Restated Statement of Non-Current Investments**

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
Non trade (Unquoted at cost)	-	-	-	-	-
Non trade (Quoted at cost)	-	-	-	-	-
Other Investment	-	-	-	-	-
Investment in NBFC	-	-	-	-	-
<b>Grand Total</b>	-	-	-	-	-

**Notes:**

- (1) The figures disclosed above are based on the Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow.
- (2) The above statements should be read with the significant accounting policies and notes to Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow appearing in Annexure 2, I, II III.

**Annexure – 15**  
**(₹ in Lakh)**

**Restated Statement of Long Term Loans and Advances**

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
Trade deposits	-	-	-	-	0.50
Other deposits	-	6.49	-	-	2.92
<b>Unsecured, considered good</b>					
a. Capital Advances	-	-	-	-	-
b. Security Deposits	14.03	-	7.75	5.65	-
e. Other loans and advances	-	-	-	1.57	-
<b>Total</b>	<b>14.03</b>	<b>6.49</b>	<b>7.75</b>	<b>7.22</b>	<b>3.42</b>

**Notes:**

- (1) The figures disclosed above are based on the Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow.
- (2) The above statements should be read with the significant accounting policies and notes to Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow appearing in Annexure 2, I, II III.

**Annexure – 16**  
**(₹ in Lakh)**

**Restated Statement of Current Investment**

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
Insurance investment plan by NBFC	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

**Notes:**

- (1) The figures disclosed above are based on the Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow.
- (2) The above statements should be read with the significant accounting policies and notes to Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow appearing in Annexure 2, I, II III.

**Annexure – 17**  
**(₹ in Lakh)**

**Restated Statement of Inventories**

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
Stock in trade	1,192.69	804.05	649.27	456.24	227.03
WIP	14.06	-	-	-	-
<b>Total</b>	<b>1,206.75</b>	<b>804.05</b>	<b>649.27</b>	<b>456.24</b>	<b>227.03</b>

**Notes:**

- (1) The figures disclosed above are based on the Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow.
- (2) The above statements should be read with the significant accounting policies and notes to Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow appearing in Annexure 2, I, II III.
- (3) As taken, valued and certified by the management at estimated cost.
- (4) Stock in trade comprises of firefighting equipment and installation of electrical and electronic security system.

**Annexure – 18**  
**(₹ in Lakh)**

**Restated Statement of Trade Receivables**

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
Outstanding for a period exceeding six months (Unsecured and considered Good)	48.24	43.58	89.96	9.22	4.25
Outstanding for a period not exceeding 6 months (Unsecured and considered Good)/others	471.12	843.91	738.17	660.22	336.33
<b>Total</b>	<b>519.35</b>	<b>887.49</b>	<b>828.13</b>	<b>669.44</b>	<b>340.58</b>

**Notes:**

- (1) The figures disclosed above are based on the Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow.
- (2) The above statements should be read with the significant accounting policies and notes to Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow appearing in Annexure 2, I, II III.

**Annexure – 19**  
**(₹ in Lakh)**

**Restated Statement of Cash and Cash Equivalents**

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
<b>Cash &amp; Cash Equivalents</b>					
Cash on hand	33.00	6.99	12.62	20.42	2.62
<b>Balances with Banks:</b>					
In current account	0.62	16.26	0.29	18.94	0.28
Fixed Deposits with more than 12 months of maturity	67.56	43.01	34.71	3.50	0.85
<b>Total</b>	<b>101.18</b>	<b>66.26</b>	<b>47.63</b>	<b>42.86</b>	<b>3.75</b>

**Notes:**

- (1) The figures disclosed above are based on the Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow.
- (2) The above statements should be read with the significant accounting policies and notes to Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow appearing in Annexure 2, I, II III.
- (3) Deposits with bank are lien against of letter of credit or bank guarantee as the case may be.
- (4) Money lying with banks as margin money against bank guarantee doesn't form part of cash and cash equivalents.



## Restated Statement of Short Term Loans and Advances

(₹ in Lakh)

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
Advance against Order	5.48	11.45	17.01	0.01	0.24
Employee advance	0.48	-	-	-	-
Advance Taxes	0.64	23.85	12.23	0.46	6.10
Balances with revenue authorities	121.20	45.47	43.79	15.39	-
<b>Total</b>	<b>127.79</b>	<b>80.77</b>	<b>73.03</b>	<b>15.85</b>	<b>6.35</b>

## Notes:

- (1) The figures disclosed above are based on the Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow.
- (2) The above statements should be read with the significant accounting policies and notes to Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow appearing in Annexure 2, I, II III.

## Restated Statement of Other Current assets

(₹ in Lakh)

Particulars	As at March 31,				
	2018	2017	2016	2015	2014
Prepaid Expenses	0.77	0.28	0.41	1.17	0.48
Other advances	-	1.35	0.24	3.03	2.32
Income receivable	2.69	0.13	0.13	0.13	-
Claims receivable	40.61	25.09	8.70	7.90	-
Preliminary Expenses	-	0.14	0.18	-	-
Business Advances (To company under same management) (Refer note-3)*	-	-	-	-	87.47
<b>Total</b>	<b>44.06</b>	<b>26.99</b>	<b>9.67</b>	<b>12.23</b>	<b>90.28</b>

## Notes:

- (1) The figures disclosed above are based on the Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow.
- (2) The above statements should be read with the significant accounting policies and notes to Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow appearing in Annexure 2, I, II III.
- (3) Due to Merger of Hingiri solutions Private Limited with Ranjeet Mechatronics Private Limited in F.Y. 2014-15, Business advances of ₹ 94.47 Lakh got squared off.

## Restated Statement of Revenue from Operations

(₹ in Lakh)

Particulars	For the Financial Year ended on March 31,				
	2018	2017	2016	2015	2014
<b>Sale of Products:</b>	1,772.25	1,375.37	2,048.41	2,201.13	1,053.92
<b>Total sale of products</b>	<b>1,772.25</b>	<b>1,375.37</b>	<b>2,048.41</b>	<b>2,201.13</b>	<b>1,053.92</b>
<b>Add: Sale of Services:</b>					
Delivery / Forwarding Charges	0.38	0.31	0.16	-	-
Job Work / Service Income	0.08	0.03	235.06	32.93	8.59
Job work/ service charges income(exempted)	-	-	237.29	127.02	-
Price Difference - Income	0.22	0.23	4.38	0.48	-
Incentive	5.26	-	-	-	-
Errection, Commission & Installation Services- Sal (Refer note 3)	-	385.06	-	-	1.17
<b>Total Sale of Services</b>	<b>5.94</b>	<b>385.62</b>	<b>476.89</b>	<b>160.43</b>	<b>9.76</b>
<b>Total</b>	<b>1,778.19</b>	<b>1,760.99</b>	<b>2,525.30</b>	<b>2,361.56</b>	<b>1,063.68</b>

## Notes:

- (1) The figures disclosed above are based on the Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow.
- (2) The above statements should be read with the significant accounting policies and notes to Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow appearing in Annexure 2, I, II III.
- (3) Income from errection, commission & installation services have been regrouped under sale of products for the F.Y. 2017-18 for the purpose of GST (HSN Reporting).

## Restated Statement of Other Income

(₹ in Lakh)

Particulars	For the Financial Year ended on March 31,				
	2018	2017	2016	2015	2014
Interest Income from bank	-	-	-	-	0.25
Interest Income from others	-	-	-	-	26.33
Interest on trading account	-	-	-	37.33	-
Interest on FD-HDFC Bank	1.91	1.72	1.76	0.48	-
Interest receivable	-	0.18	-	-	-
Income Tax Refund - AY 2014-15	-	-	0.66	-	-
Interest on Income Tax Refund.	-	-	0.11	-	-
Income Tax	-	-	-	-	-
Cash discount on purchases	-	-	-	-	-
Commission income	-	0.54	-	-	-
Other non-operating income	23.58	0.30	0.86	0.66	-
Profit on sale of scooter	-	-	-	-	0.02
<b>Total</b>	<b>25.50</b>	<b>2.74</b>	<b>3.38</b>	<b>38.47</b>	<b>26.60</b>

## Notes:

- (1) The figures disclosed above are based on the Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow.
- (2) The above statements should be read with the significant accounting policies and notes to Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow appearing in Annexure 2, I, II III.
- (3) Other non-operating income comprise of sundry creditors written off and other income.

**Restated Statement of Direct Expense****(₹ in Lakh)**

Particulars	For the Financial Year ended on March 31,				
	2018	2017	2016	2015	2014
Purchases(Including materials used for consumption)	1,697.66	1,450.23	2,301.06	2,141.46	966.55
Freight, Octroi & forwarding charges	-	-	-	-	4.81
Job work/after sales service charges		-	-	-	(0.14)
<b>Total</b>	<b>1,697.66</b>	<b>1,450.23</b>	<b>2,301.06</b>	<b>2,141.46</b>	<b>971.21</b>

**Notes:**

- (1) The figures disclosed above are based on the Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow.
- (2) The above statements should be read with the significant accounting policies and notes to Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow appearing in Annexure 2, I, II III.

**Restated Statement of Changes in Inventories****(₹ in Lakh)**

Particulars	For the Financial Year ended on March 31,				
	2018	2017	2016	2015	2014
<b>Opening Stock</b>	804.05	649.27	456.24	398.75	227.24
<b>Total (a)</b>	<b>804.05</b>	<b>649.27</b>	<b>456.24</b>	<b>398.75</b>	<b>227.24</b>
<b>Less: Closing Stock</b>					
Finished goods	(1,192.69)	(804.05)	(649.27)	(456.24)	(227.03)
Work in Progress	(14.06)	-	-	-	-
<b>Total (b)</b>	<b>(1,206.75)</b>	<b>(804.05)</b>	<b>(649.27)</b>	<b>(456.24)</b>	<b>(227.03)</b>
<b>Total [(a)-(b)]</b>	<b>(402.70)</b>	<b>(154.78)</b>	<b>(193.03)</b>	<b>(57.50)</b>	<b>0.21</b>

**Notes:**

- (1) The figures disclosed above are based on the Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow and as certified by the Management of the Company.
- (2) The above statements should be read with the significant accounting policies and notes to Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow appearing in Annexure 2, I, II III.

**Restated Statement of Employee Benefit Expense****(₹ in Lakh)**

Particulars	For the Financial Year ended on March 31,				
	2018	2017	2016	2015	2014
Salaries, wages and Other Benefits	139.37	156.03	164.38	91.71	19.60
Staff Welfare	0.96	3.13	1.66	0.84	0.17
Contribution to Provident Fund	6.51	4.38	3.88	1.56	-
Contribution to ESIC Fund	0.96	0.66	-	-	-
Contribution to gratuity fund	1.80	1.23	-	-	-
<b>Total</b>	<b>149.61</b>	<b>165.44</b>	<b>169.92</b>	<b>94.10</b>	<b>19.77</b>

**Notes:**

- (1) The figures disclosed above are based on the Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow.
- (2) The above statements should be read with the significant accounting policies and notes to Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow appearing in Annexure 2, I, II III.
- (3) The above salary and wages include director's remuneration.

## Annexure – 27

## Restated Statement of Finance costs

(₹ in Lakh)

Particulars	For the Financial Year ended on March 31,				
	2018	2017	2016	2015	2014
Bank Commission & Loan Processing Charges	-	-	-	-	7.65
<b>Interest:</b>				129.73	
On bank/NBFC loans	120.97	93.44	100.39	-	21.53
On directors loan	-	-	-	-	15.10
On car loan	-	-	-	-	2.30
On others	-	-	-	-	20.95
On loans and advances	-	-	0.56	-	-
On statutory liabilities	1.03	1.05	0.27	-	-
Other borrowing cost	14.41	10.64	19.23	5.81	-
<b>Total</b>	<b>136.42</b>	<b>105.13</b>	<b>120.45</b>	<b>135.54</b>	<b>67.53</b>

## Notes:

- (1) The figures disclosed above are based on the Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow.
- (2) The above statements should be read with the significant accounting policies and notes to Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow appearing in Annexure 2, I, II III.

## Annexure – 28

## Restated Statement of Depreciation &amp; Amortization

(₹ in Lakh)

Particulars	For the Financial Year ended on March 31,				
	2018	2017	2016	2015	2014
Depreciation	28.12	30.02	32.81	34.04	14.01
<b>Total</b>	<b>28.12</b>	<b>30.02</b>	<b>32.81</b>	<b>34.04</b>	<b>14.01</b>

## Notes:

- (1) The figures disclosed above are based on the Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow.
- (2) The above statements should be read with the significant accounting policies and notes to Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow appearing in Annexure 2, I, II III.

## Annexure – 29

## Restated Statement of Other Expenses

(₹ in Lakh)

Particulars	For the Financial Year ended on March 31,				
	2018	2017	2016	2015	2014
Auditors Remuneration	0.85	1.15	0.30	0.90	0.50
Electricity Expenses	2.74	3.01	2.35	1.72	-
Postage & internet charges	1.95	0.48	2.04	1.49	-
Vehicle Expenses	-	-	-	-	-
Legal & Professional fees & Expenses	9.87	9.52	10.28	2.07	1.95
Conveyance & Travelling Expenses	14.24	33.49	27.96	19.49	-
Penalty/Liquidated damage	-	-	-	-	-
Donation Expenses	0.45	4.55	1.00	-	-
<b>Repairs &amp; maintenance:</b>					
Building	2.80	3.13	1.48	1.98	0.39
others	-	-	-	-	0.56
Rent expenses	14.37	17.64	15.50	10.50	
Rent, rates & taxes	0.60	4.05	1.49	1.46	2.39
Miscellaneous Expenses	8.27	10.85	7.53	1.49	2.90
Insurance	1.54	1.85	1.98	0.59	1.20
Telephone expenses	2.15	2.35	2.23	1.92	
Preliminary Expenses	0.14	0.05	0.05	-	
CST/VAT	-	-	-	-	1.90
Other loss					

Particulars	For the Financial Year ended on March 31,				
	2018	2017	2016	2015	2014
Loss on sale of Car	-	0.11	-	-	-
<b>Total</b>	<b>59.95</b>	<b>92.23</b>	<b>74.20</b>	<b>43.61</b>	<b>11.79</b>

**Notes:**

- (1) The figures disclosed above are based on the Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow.
- (2) The above statements should be read with the significant accounting policies and notes to Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow appearing in Annexure 2, I, II III.

**Material Adjustment to the Restated Financial Statement**

**Annexure – 30**

**1. Material Regrouping:**

Appropriate adjustments have been made in the Restated Financial Statements of Assets and Liabilities, Profit and Losses and 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 financial statements of the company and the requirements of SEBI Regulations.

**2. Material Adjustments:**

The Summary of results of restatement made in the Audited Financial Statements for the respective years and its impact on the profit/(loss) of the Company is as follows:

(₹ in Lakh)

Particulars	For the Financial Year ended on March 31,				
	2018	2017	2016	2015	2014
<b>(A) Net Profits as per audited financial statements (A)</b>	90.07	52.36	16.15	5.25	3.09
<b>Add/(Less) : Adjustments on account of -</b>					
1) Prior Period Taxes charged to P/L	-	-	-	-	-
2) Additional Depreciation Write off	-	-	-	-	-
3) Provision for Taxation	-	(0.18)	(0.07)	(0.35)	-
3) Adjustment on Account of Deferred Tax	-	-	-	-	-
4) Adjustment on Account of Gratuity	1.23	(1.23)	-	-	-
<b>Total Adjustments (B)</b>	<b>1.23</b>	<b>(1.41)</b>	<b>(0.07)</b>	<b>-</b>	<b>-</b>
<b>Restated Profit/ (Loss) (A+B)</b>	<b>91.31</b>	<b>50.94</b>	<b>16.08</b>	<b>4.90</b>	<b>3.09</b>

**Reconciliation of the Opening Balance of Balance in Profit & Loss Account for the FY 2013-14**

(₹ in Lakh)

Particulars	For The Year Ended March 31, 2014
<b>(A) Opening Balance of Balance in Profit &amp; Loss Account as per audited financial statements (A)</b>	3.03
<b>Add/(Less) : Adjustments on account of -</b>	
1. Provision for Income Taxes for Prior Period (Para 3.1)	-
2. Diminishing Value of Investment before 01.04.2013	
<b>Total Adjustments (B)</b>	<b>-</b>
<b>Restated opening Balance of balance in Profit &amp; Loss Account(A+B)</b>	<b>3.03</b>

## Restated Statement of Tax Shelters

Particulars		For the Financial Year ended on March 31,				
		2018	2017	2016	2015	2014
<b>A</b>	<b>Restated Profit before tax</b>	134.64	75.47	23.26	8.78	5.77
	Short Term Capital Gain at special rate	-	-	-	-	-
	Normal Corporate Tax Rates (%)	27.55%	30.90%	30.90%	30.90%	30.90%
	Short Term Capital Gain at special rate	-	-	-	-	-
	MAT Tax Rates (%)	20.39%	19.06%	19.06%	19.06%	19.06%
<b>B</b>	<b>Tax thereon (including surcharge and education cess)</b>					
	Tax on normal profits	37.10	23.32	7.19	2.71	1.78
	Short Term Capital Gain at special rate	-	-	-	-	-
	<b>Total</b>	<b>37.10</b>	<b>23.32</b>	<b>7.19</b>	<b>2.71</b>	<b>1.78</b>
	<b>Adjustments:</b>					
<b>C</b>	<b>Permanent Differences</b>					
	Deduction allowed under Income Tax Act	-	(4.55)	-	-	-
	Donation Allowed	-	-	-	-	-
	Exempt Income	-	-	-	-	-
	Allowance of Expenses under the Income Tax Act	-	-	(0.95)	-	-
	Disallowance of Income under the Income Tax Act	-	-	-	-	0.02
	Disallowance of Expenses under the Income Tax Act	-	7.32	0.93	1.25	0.00
	<b>Total Permanent Differences</b>	<b>-</b>	<b>2.77</b>	<b>(0.02)</b>	<b>1.25</b>	<b>0.03</b>
<b>D</b>	<b>Timing Differences</b>					
	Depreciation as per IT	28.34	24.76	26.06	24.93	12.96
	Depreciation as per Books	28.12	30.02	32.81	34.04	14.01
	<b>Difference between tax depreciation and book depreciation</b>	<b>(0.22)</b>	<b>5.26</b>	<b>6.74</b>	<b>9.11</b>	<b>1.05</b>
	Provision for Gratuity disallowed	1.80	1.23	-	-	-
	<b>Total Timing Differences</b>	<b>1.58</b>	<b>6.49</b>	<b>6.74</b>	<b>9.11</b>	<b>1.05</b>
<b>E</b>	<b>Net Adjustments E= (C+D)</b>	<b>1.58</b>	<b>9.26</b>	<b>6.72</b>	<b>10.36</b>	<b>1.07</b>
<b>F</b>	<b>Tax expense/(saving) thereon</b>	<b>0.44</b>	<b>2.86</b>	<b>2.08</b>	<b>3.20</b>	<b>0.33</b>
<b>G</b>	<b>Total Income/(loss) (A+E)</b>	<b>136.22</b>	<b>84.73</b>	<b>29.99</b>	<b>19.14</b>	<b>6.84</b>
	Taxable Income/ (Loss) as per MAT	134.64	75.47	23.26	8.78	5.77
<b>I</b>	<b>Income Tax as per normal provision</b>	<b>37.53</b>	<b>26.18</b>	<b>9.27</b>	<b>5.91</b>	<b>2.11</b>
<b>J</b>	<b>Income Tax under Minimum Alternative Tax under Section 115 JB of the Income Tax Act</b>	<b>27.45</b>	<b>14.38</b>	<b>4.43</b>	<b>1.67</b>	<b>1.10</b>
	<b>Net Tax Expenses (Higher of I,J)</b>	<b>37.53</b>	<b>26.18</b>	<b>9.27</b>	<b>5.91</b>	<b>2.11</b>
<b>K</b>	Relief u/s 90/91	-	-	-	-	-
	<b>Total Current Tax Expenses</b>	<b>37.53</b>	<b>26.18</b>	<b>9.27</b>	<b>5.91</b>	<b>2.11</b>
<b>L</b>	Adjustment for Interest on income tax/ others					
	<b>Total Current Tax Expenses</b>	<b>37.53</b>	<b>26.18</b>	<b>9.27</b>	<b>5.91</b>	<b>2.11</b>

**Note:**

- (1) There is difference in provision for Income tax as per P&L and as per Tax shelter for the F.Y 2017-18 due to provision for gratuity effect, there is no adjustment required for the same.

## Restated Statement of Dividend

(₹ in Lakh)

Particulars	For the Financial Year ended on March 31,				
	2018	2017	2016	2015	2014
Share Capital	55.00	55.00	55.00	55.00	45.00
Equity Share Capital	55.00	55.00	55.00	55.00	45.00
Dividend on equity shares declared during the year	-	-	-	-	-
Dividend in %	0%	0%	0%	0%	0%

## Notes:

- (1) The figures disclosed above are based on the Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow.
- (2) The above statements should be read with the significant accounting policies and notes to Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow appearing in Annexure 2, I, II III.

## Restated Statement of Contingent Liabilities

(₹ in Lakh)

Particulars	For the Financial Year ended on March 31,				
	2018	2017	2016	2015	2014
1. Bank Guarantee	249.59	171.98	121.78	-	-
2. LC Discounting for which FDR margin money has been given to the bank as Security	70.58	-	99.32	-	-
2. Capital Commitment	-	-	-	-	-
3. Income Tax Demand	-	-	-	9.86	5.26
<b>Total</b>	<b>320.17</b>	<b>171.98</b>	<b>221.10</b>	<b>9.86</b>	<b>5.26</b>

## Notes:

- (1) The figures disclosed above are based on the Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow.
- (2) The above statements should be read with the significant accounting policies and notes to Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow appearing in Annexure 2, I, II III.



## Restated Statement of Accounting Ratios

(₹ in Lakh except per share data)

Particulars	For the Financial Year ended on March 31,				
	2018	2017	2016	2015	2014
Restated PAT as per P& L Account (₹)	91.31	50.95	16.08	4.90	3.09
Weighted Average Number of Equity Shares at the end of the Year (Note -2)	549,995	549,995	549,995	549,995	449,995
Weighted Average Number of Equity Shares at the end of the Year (Post Bonus)	4,149,980	4,149,980	4,149,980	4,149,980	4,049,980
Net Worth (₹)	258.67	167.36	116.41	100.33	84.05
Current Assets (₹)	1999.14	1865.56	1607.74	1196.63	667.98
Current Liabilities (₹)	1384.49	1536.24	1264.93	821.71	399.68
<b>Earnings Per Share (without Bonus effect)</b>					
Basic (₹) (Note 1.a)	16.60	9.26	2.92	1.02	0.69
Diluted (₹)* (Note 1.b)	16.60	9.26	2.92	1.02	0.69
<b>Earnings Per Share (with Bonus affect)</b>					
Basic (₹) (Note 1.a)	2.20	1.23	0.39	0.12	0.08
Diluted (₹)* (Note 1.b)	2.20	1.23	0.39	0.12	0.08
<b>Return on Net Worth (%)</b>	35.30%	30.44%	13.81%	4.89%	3.68%
<b>Net Asset Value Per Share (₹) (Pre Bonus Issue)</b>	47.03	30.43	21.17	18.24	18.68
<b>Net Asset Value Per Share (₹) (Post Bonus Issue)</b>	6.23	4.03	2.81	2.42	2.08
<b>Current Ratio</b>	1.44	1.21	1.27	1.46	1.67
Nominal Value per Equity share (₹)	10.00	10.00	10.00	10.00	10.00

\* The Company does not have any diluted potential Equity Shares. Consequently the basic and diluted profit/earning per share of the company remain the same.

## Notes:

1. The ratios have been calculated as below:

$$a. \text{ Basic Earnings Per Share (₹)} = \frac{\text{Restated Profit After Tax attributable to Equity Shareholders}}{\text{Weighted Average Number of Equity Shares outstanding during the year}}$$

$$b. \text{ Diluted Earnings Per Share (₹)} = \frac{\text{Restated Profit After Tax attributable to Equity Shareholders}}{\text{Weighted Average Number of Diluted Potential Equity Shares outstanding during the year}}$$

$$c. \text{ Return on Net worth (\%)} = \frac{\text{Restated Profit After Tax attributable to Equity Shareholders}}{\text{Net Worth}} * 100$$

$$d. \text{ Restated Net Asset Value per equity share (₹)} = \frac{\text{Restated Net Worth as at the end of the year}}{\text{Total Number of Equity Shares outstanding during the year}}$$

- 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 the year multiplied by the time weighting factor.
- Earnings per Share calculation are in accordance with Accounting Standard 20 - Earnings per Share, notified under the Companies (Accounting Standards) Rules 2006, as amended.
- Net Worth = Equity Share Capital + Reserve and Surplus (including surplus in the Statement of Profit & Loss and Security Premium Accounts)
- The figures disclosed above are based on the Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow.
- The above statements should be read with the significant accounting policies and notes to Restated Summary Statement of Assets and Liabilities of Company, Statement of Profit and Loss and Statement of Cash Flow appearing in Annexure 2, I, II III.

## Restated Statement of Capitalization

Sr. No.	Particulars	Pre issue As at March 31, 2018	Post issue
	<b>Debts</b>		
A	Long Term Debt	758.52	758.52
B	Short Term Debt	620.50	620.50
C	<b>Total Debt</b>	<b>1,379.02</b>	<b>1,379.02</b>
	<b>Shareholders' Funds</b>		
	Equity Share Capital	55.00	660.00
	Reserves and Surplus	203.67	354.17
D	<b>Total Equity</b>	<b>258.67</b>	<b>1,014.17</b>
E	<b>Total Capitalization</b>	<b>1,637.68</b>	<b>2,393.18</b>
	Long Term Debt/ Equity Ratio (A/D)	2.93	0.75
	Total Debt/ Equity Ratio (C/D)	5.33	1.36

**Notes:**

- Long Term Debt are borrowings other than short-term borrowings and also includes current maturities of long-term debt included in other current liabilities.
- Capitalization Statement – Post Issue includes effect of preferential allotment of 335000 Equity Shares, 180000 Equity Shares, 135000 Equity Shares at price of ₹ 47/- per equity shares made on April 30, 2018; May 3, 2018 and May 9, 2018 respectively and the allotment of 3599985 bonus equity shares allotted on May 18, 2018.

## Restated Statement of Related Party Transaction

As required under Accounting Standard 18 “Related Party Disclosures” as notified pursuant to Company (Accounting Standard) Rules, 2006, following are details of transactions during the year with related parties of the company as defined in Accounting Standard – 18.

**A. List of Related Parties and Nature of Relationship:**

<b>1. Enterprise over which key management personnel have significant influence</b>	
a) Companies	Himgiri Solutions Private Limited
	Destiny Zone Security System Private Limited
	Mepalleaf Liquor Private Limited
b) Proprietorship	Himgiri Engineers
	Shrividya Engineers
<b>2. Other Related Parties:</b>	
c) Key Management Personnel's (Director)	Rakesh V Swadia
	Devarshi R Swadia
	Nita R Swadia
	Manisha D Swadia
	Raju B Mishra
d) Relatives of Key Management Personnel's	Shailja R. Swadia
	Rakesh V. Swadia HUF
	Devarshi R. Swadia HUF
	Ahalya D. Swadia

**B. Disclosure of Related party transactions**

(₹ in Lakh)

Nature of Transaction / Name of Related Party		During the year ended March 31,				
		2018	2017	2016	2015	2014
<b>Particulars</b>	<b>Nature of relationship</b>					
<b>REMUNERATION AND ALLOWANCE</b>						
Mr. Devarshi R. Swadia	Director	22.77	36.75	30.00	6.00	6.00
Smt.ManishaD. Swadia	Director	7.67	12.00	9.00	3.96	2.02
Mr. Rakesh V. Swadia	Director	22.77	36.75	30.00	6.00	6.00
Nita R Swadia	Director	9.58	12.00	9.00	0.70	-
<b>SALE OF GOODS</b>						
Himgiri Solutions Private Limited	Enterprise over which key management personnel have significant influence	-	-	21.58	233.89	269.99
Destiny Zone Security System Private Limited	Enterprise over which key management personnel have significant influence	-	-	-	197.98	246.31
Himgiri Engineers	Enterprise over which key management personnel have significant influence	611.43	54.05	-	-	-
Shrividya Engineers	Enterprise over which key management personnel have significant influence	-	-	-	.02	-
<b>INTEREST EXPENSES</b>						
Mr. Rakesh V. Swadia	Director	-	-	5.36	6.08	6.46
Mr. Devarshi R. Swadia	Director	-	-	5.36	6.08	6.46
Smt.Neeta R. swadia	Director	-	-	-	-	1.58
Smt.ManishaD.Swadia	Director	-	-	-	-	-
Smt.Shailja R. Swadia	Relative of director	-	-	-	-	0.61
Rakesh V. Swadia -HUF	Relative of director	-	-	-	-	-
Devarshi R, Swadia -HUF	Relative of director	-	-	-	-	-
Ahalya D. Swadia	Relative of director	-	-	-	-	-
ShrividyaDevarshiSwadia	Relative of director	-	-	-	-	-
<b>RENT PAID</b>						
Rakesh V Swadia	Director	2.40	1.80	1.80	-	-
Devarshi R Swadia	Director	0.60	1.80	-	-	-
Nita R Swadia	Director	0.60	-	-	-	-
Manisha D Swadia	Director	0.60	-	-	-	-
<b>UNSECURED LOANS RECEIVED</b>						
Mr. Rakesh V. Swadia	Director	102.04	26.59	131.47	58.59	75.47
Mr. Devarshi R. Swadia	Director	97.39	25.08	77.63	8.99	-
Smt.Neeta R. Swadia	Director	27.39	10.30	26.00	1.82	12.00
Smt.Manisha D.Swadia	Director	14.88	9.78	-	1.33	1.30
Smt.Shailja R. Swadia	Relative of director	-	-	-	-	-
Rakesh V. Swadia -HUF	Relative of director	4.15	-	-	-	-
Devarshi R. Swadia -HUF	Relative of director	-	0.35	-	-	-
Ahalya D. Swadia	Relative of director	-	0.67	-	-	0.50
Shrividya Devarshi Swadia	Relative of director	-	0.85	-	-	-

Nature of Transaction / Name of Related Party		During the year ended March 31,				
		2018	2017	2016	2015	2014
<b>UNSECURED LOANS REPAID</b>						
Mr. Rakesh V. Swadia	Director	47.80	78.39	139.33	99.20	26.60
Mr. Devarshi R. Swadia	Director	27.73	46.54	56.66	5.80	23.35
Smt. Neeta R. Swadia	Director	28.70	18.76	14.35	-	19.56
Smt. Manisha D. Swadia	Director	4.02	1.58	3.49	0.05	10.43
Smt. Shailja R. Swadia	Relative of director	-	-	0.15	-	0.32
Rakesh V. Swadia -HUF	Relative of director	-	0.30	-	-	-
Devarshi R. Swadia -HUF	Relative of director	-	0.80	-	1.50	-
Ahalya D. Swadia	Relative of director	-	-	-	-	-
Shrividya Devarshi Swadia	Relative of director	-	-	-	-	-
<b>BALANCE OUTSTANDING AT THE END OF YEAR</b>						
<b>UNSECURED LOANS PAYABLE</b>						
Mr. Rakesh V. Swadia	Director	95.98	41.73	93.53	96.03	130.56
Mr. Devarshi R. Swadia	Director	104.83	35.18	56.63	30.30	21.03
Smt. Neeta R. Swadia	Director	39.77	41.08	49.54	37.89	36.07
Smt. Manisha D. Swadia	Director	25.50	14.65	6.46	9.94	8.66
Smt. Shailja R. Swadia	Relative of director	5.33	5.33	5.33	5.48	5.48
Rakesh V. Swadia -HUF	Relative of director	8.20	4.05	4.35	4.35	4.35
Devarshi R. Swadia -HUF	Relative of director	4.52	4.52	4.97	4.97	6.47
Ahalya D. Swadia	Relative of director	3.05	3.05	2.38	2.38	2.38
Shrividya Devarshi Swadia	Relative of director	0.85	0.85	-	-	-
<b>UNPAID REMUNERATION</b>						
Smt. Manisha D. Swadia	Director	1.66	6.46	-	-	-
Mr. Devarshi R. Swadia	Director	2.97	19.82	-	-	-
Smt. Neeta R. Swadia	Director	1.16	6.32	-	-	-
Mr. Rakesh V. Swadia	Director	3.01	19.82	-	-	-
<b>PURCHASE OF GOODS</b>						
Himgiri Engineers (Proprietor)	Enterprise over which key management personnel have significant influence	578.80	84.94	-	-	-
Shrividya Engineers (Proprietor)	Enterprise over which key management personnel have significant influence	74.45	98.42	-	-	-
Himgiri Solutions Private Limited	Enterprise over which key management personnel have significant influence	-	-	-	216.86	94.48
Destiny Zone Security System Private Limited	Enterprise over which key management personnel have significant influence	-	-	-	135.68	-

Nature of Transaction / Name of Related Party		During the year ended March 31,				
		2018	2017	2016	2015	2014
<b>BUSINESS ADVANCES (TO COMPANY UNDER SAME MANAGEMENT)</b>						
Himgiri Solutions Private Limited	Enterprise over which key management personnel have significant influence	-	-	-	94.47	87.47
<b>INTEREST RECEIVED</b>						
Himgiri Solutions Private Limited	Enterprise over which key management personnel have significant influence	-	-	-	-	25.14
<b>DEBTORS OUTSTANDING</b>						
Destiny Zone Security Systems Private Limited	Enterprise over which key management personnel have significant influence	-	-	-	18.17	159.60
Himgiri Engineers (Proprietor)	Enterprise over which key management personnel have significant influence	115.41	-	-	101.52	4.63
<b>TRADE PAYABLES</b>						
Himgiri Engineers (Proprietor)	Enterprise over which key management personnel have significant influence	18.14	-	-	-	-
Shrividya Engineers (Proprietor)	Enterprise over which key management personnel have significant influence	28.98	-	-	-	-

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in the Draft Prospectus. You should also read the section entitled "Risk Factors" beginning on page no. 9, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations. The following discussion relates to our Company and, is based on our restated financial statements, which have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI Regulations. Portions of the following discussion are also based on internally prepared statistical information and on other sources. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year ("Fiscal Year") are to the twelve-month period ended March 31 of that year.

### COMPANY'S BACKGROUND

In the year 1949, Late Shree Vallabhbhai B. Swadia, father of one of our Promoter Mr. Rakesh V. Swadia, established a firm called M/s. Ranjeet Electric and Engineering Corporation. The firm was established post independence as authorised distributors of companies engaged in the irrigation system. The firm was basically authorized dealer of electric motor pumps and related spares. Mr. Rakesh Swadia joined the business of his father at an early age and started understanding the business gimmicks.

Later on, the firm tied up with Kirloskar Brothers Limited and became the authorized dealer of various electric products especially electric motors pump sets and spares and also tied up with Kirloskar Oil Engines Limited.

In the year 1993, to give a corporate shape to the firm, Late Vallabhbhai Swadia along with his wife, Late Mrs. Shantaben Vallabhbhai Swadia and Mr. Indukant V. Swadia incorporated our company - Ranjeet Electric Private Limited ("REPL") at Ahmedabad. The company was incorporated with the main object to carry on the business of electrical and electrical mechanical engineers and sell supply, establish, fix and carry out and deal in industrial pumps, diesel engines, electrical motors and equipments etc.

Initially, we have obtained distributorship of agricultural engines, Industrial engines and marine engines from Kirloskar in the name of REPL. We were selling wide range of Domestic and Agriculture pumps, Industrial pumps, Customized and Engineered pumps, Motors, Alternators, Diesel engines which includes Domestic monoblock pumps, Borewell submersible pumps, Open well submersible pumps, End suction Bareshaft pumps, Horizontal multistage pumps, Vertical multistage pumps, Marine diesel engines, diesel generators sets etc. Our company continuously progressed by officially marketing the said products in the rural, urban as well as various industrial sectors of Gujarat.

In the year 2006-07, our company was awarded by Kirloskar Brother Limited for achieving 2<sup>nd</sup> highest sales turnover in Ahmedabad Region. In the year 2009, as per government rules and regulations in high rise buildings, malls and industries fire pumps and fire engines were mandatory to be installed for public safety. We have been awarded the distributorship of fire pumps & fire engines of Kirloskar. Ranjeet Electric Private Limited became the new name for new age fire solutions. Our fire solution specializes as a system integrator; our expertise is to provide end to end solution in the design, implementation, management and operational support for technology – based security and fire fighting solutions. In the year 2010, our company has also tied up with Mather and Platt Pumps Limited for distribution of various customized and engineered pumps, motors and accessories.

In the year 2012, our existing promoters Mr. Rakesh Swadia, Mr. Devarshi Swadia along with relatives floated the company called "Himgiri Solutions Private Limited" ("HSPL") with the main object to carry the business of providing various essential building services such as mechanical, plumbing, fire fighting, electrical safety security etc. In the year 2013, HSPL has been awarded a work contract of sewage treatment plant, pumping system including water softening and water distribution system at Nashik Airport.

In the year 2013, our existing promoters Mr. Rakesh Swadia, Mr. Devarshi Swadia along with relatives and others floated one more company called "Destiny Zone Security Systems Private Limited" ("DZSSPL"). In the year 2013-14, DZSSPL has been awarded a contract of approximately ₹ 10 crores (rupees Ten Crores) from NCC Limited at Vardhaman Institute of Medical Science for Design, Supply, Transportation, Installation, Testing, Commissioning related to fire hydrant system, sprinkler system, fire Extinguishers, fire pumps, gas based fire Suppression system.

On January 1, 2015, our Board of Directors approved a scheme of amalgamation under Sections 391 to 394 of the Companies Act, 1956 for amalgamation of Himgiri Solutions Private Limited and Destiny Zone Security Systems Private Limited with our Company, with the appointed date as April 1, 2014. The Hon'ble High Court of Gujarat at Ahmedabad, vide their Common Oral Order dated December 10, 2015, has sanctioned the scheme of amalgamation. As required under the Companies Act, 1956, the copy of the Common Oral Order was filed with the Registrar of Companies, Ahmedabad on January 20, 2016 and the same shall be considered as Effective Date. From the effective date (as defined under the

scheme of amalgamation), the entire business and undertaking of Himgiri Solutions Private Limited and Destiny Zone Security Systems Private Limited including all their assets, liabilities, duties, and obligations transferred to our company.

At present, we are providing specialized firefighting solutions as a system integrator. Our expertise is to provide end to end solution in the installation, designing, commission, testing, implementation, management and operational support for technology – based security and fire solutions.

#### **SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR:**

After the date of last financial year i.e. March 31, 2018, the Directors of our Company confirm that, there have not been any significant material developments, except:

1. Allotment of 3,35,000 Equity Shares on Preferential/Private Placement of face value of ₹ 10 each fully paid up at a price of ₹ 47/- per Equity Share on April 30, 2018;
2. Allotment of 1,80,000 Equity Shares on Preferential/Private Placement of face value of ₹ 10 each fully paid up at a price of ₹47/- per Equity Share on May 03, 2018;
3. Allotment of 1,35,000 Equity Shares on Preferential/Private Placement of face value of ₹10 each fully paid up at a price of ₹ 47/- per Equity Share on May 09, 2018;
4. Allotment of 35,99,985 Bonus Shares to all the existing shareholders in the ratio of 3:1 capitalizing credit balance of Securities and Premium Account to the extent of ₹ 2,52,50,017.50/- and credit balance of Surplus Account to the extent of ₹ 1,07,49,832.50/- on May 18, 2018.
5. The Company has taken few new unsecured term loans from various Non-Banking Financial Institutions and Bank. The details of which are as under;

(₹ in Lakh)

Sr. No.	Name of the Lender	Date of Disbursement	Date of 1 <sup>st</sup> installment	Sanction Amount (₹)	Purpose	Interest Rate per annum	Period of Repayment
1.	IVL Finance Limited	March 31, 2018*	May 05, 2018	25.30	Business Installment Loan	19.00%	24 Monthly Installment
2.	Magma Fincorp Limited	April 07, 2018	May 07, 2018	20.00	Business Loan	19.10%	24 Monthly Installment
3.	RBL Bank Limited	April 10, 2018	June 05, 2018	20.00	Business Loan	18.92%	24 Monthly Installment

\* the actual credit of the disbursed amount was on April 7, 2018

6. One of the unsecured Term Loan of Bajaj Finserv Limited outstanding as on March 31, 2018 is closed on June 02, 2018.

#### **KEY FACTORS AFFECTING THE RESULTS OF OPERATION:**

Our Company's future results of operations could be affected potentially by the following factors:

- Political Stability of the Country
- World Economy
- Government policies for the capital markets
- Investment Flow in the country from the other countries
- Competition from existing players
- Company's ability to successfully implement our growth strategy
- Loss due to delay in execution of projects in time

#### **OUR SIGNIFICANT ACCOUNTING POLICIES"**

For Significant accounting policies, please refer Significant Accounting Policies, "Annexure – 2" under Chapter titled "Auditors Report and Financial Information of Our Company" beginning on page no. 133 of this Draft Prospectus.

#### **DISCUSSION ON RESULTS OF OPERATION:**



The following discussion on results of operations should be read in conjunction with the Audited Financial Results of our Company for the years ended March 31, 2016, 2017, 2018.

### Results of our Operation

(₹ In Lakh)

Particulars	For the year ended on March 31,		
	2018	2017	2016
Revenue from operations	1,778.19	1,760.99	2,525.30
<b>Total Revenue</b>	<b>1,778.19</b>	<b>1,760.99</b>	<b>2,525.30</b>
% of growth	0.98	-30.27	6.93
Other Income	25.5	2.74	3.38
% of growth	830.66	-18.93	-91.21
<b>Total income</b>	<b>1,803.69</b>	<b>1,763.73</b>	<b>2,528.68</b>
% of growth	2.27	-30.25	5.36
Expenses			
Purchases (Including Material used for Consumption)	1697.66	1450.23	2301.06
% Increase/(Decrease)	17.06	-36.98	7.45
Changes in inventories in stock-in-trade	-402.7	-154.78	-193.03
Employee benefits expense	149.61	165.44	169.92
% Increase/(Decrease)	-9.57	-2.64	80.57
Finance Costs	136.42	105.13	120.45
% Increase/(Decrease)	29.76	-12.72	-11.13
Other expenses	59.95	92.23	74.2
% Increase/(Decrease)	-35.00	24.30	70.14
Depreciation and amortization expenses	28.12	30.02	32.81
% Increase/(Decrease)	-6.33	-8.50	-3.61
Total Expenses	1,669.06	1,688.27	2,505.41
% to total revenue	92.54	95.72	99.08
EBIDT	299.17	210.61	176.53
% to total revenue	16.59	11.94	6.98
Exceptional Items	0.00	0.00	0.00
Profit before Tax	134.63	75.46	23.27
Total tax expense	43.33	24.52	7.19
Profit and Loss for the period as Restated	91.30	50.94	16.08
% to total revenue	5.06	2.89	0.64
Profit and Loss for the period as Restated	91.30	50.94	16.08
% Increase/(Decrease)	79.23	216.79	45.13

### COMPARISON OF FY 2017-18 WITH FY 2016-17:

#### Total Income

The Total revenue from operations for the FY 2017- 18 was ₹ 1778.19 Lakh as compared to ₹ 1760.99 Lakh during the FY 2016-2017, showing a slight increase of 0.98% in FY 2017-18. The increase in revenue was attributable to the increase in the sales. The other income increased from ₹ 2.74 Lakh in F.Y. 2016- 17 as compared to ₹ 25.5 Lakh in FY 2017-2018, increased mainly due to increase in other non-operative income. The Total income for the FY 2017- 18 was ₹ 1803.69 Lakh as compared to ₹ 1763.73 Lakh during the FY 2016-2017, which is an increase of 2.27% due to increase in revenue from operations and other income in FY 2017-18.

#### Expenditure:

Our total expenses decreased to ₹ 1669.06 Lakhs in financial year 2017-18 from ₹ 1688.27 Lakhs in financial year 2016-17, due to the factors described below:

#### Costs of Material Consumed

The total Purchases (including Material used for Consumption) decreased to 1697.66 Lakh in FY 2017- 18 from 1450.23 Lakh in the FY 2016-17.

### **Employee Benefit Expenses**

Employee Benefit expenses decreased from ₹ 165.44 Lakh for FY 2016-17 to ₹ 149.61 Lakh for FY 2017-18, showing an decrease of 9.57% mainly on account of decrease in salary/wages and other benefits in the FY 2017-18.

### **Finance Cost**

Finance Cost increased from ₹ 105.13 Lakh for FY 2016-17 to ₹ 136.42 Lakh for the FY 2017-18, showing an increase of 29.76 % on account of increase in interest amount and other borrowing cost.

### **Depreciation and amortization**

Depreciation Expense has decreased from ₹ 30.02 Lakh in FY 2016-17 to ₹ 28.12 Lakh for F.Y. 2017-18, showing a decrease of 6.33 %. The decrease was in line with normal business practice.

### **Other Expenses**

Other Expenses decreased from ₹ 92.23 Lakh for FY 2016-17 to ₹ 59.95 Lakh for FY 2017-18 showing decrease of 35.00%, decrease is due to the significant decrease in the Auditors Remuneration, Electricity Expense, Conveyance and Travelling Expense, Repairs & Maintenance of Building, Rent Expenses, Rent, Rates & Taxes and Miscellaneous Expenses.

### **Profit before Interest, Depreciation and Taxation (EBIDT)**

The EBIDT for the FY 2017-18 stood at 16.59% of the total revenue of the FY 2017-18 as against EBIDT for the FY 2016-17 which stood at 11.94% of the total revenue for the FY 2016-17.

### **Profit after Tax**

The company has earned a profit after tax of ₹ 91.30 Lakh in the FY 2017-18 as against profit after tax of ₹ 50.94 Lakh in the FY 2016-17 on account of increase in the revenue of the Company and slight decrease in expenses during the FY 2017-18 as compared to FY 2016-17.

## **COMPARISON OF FY 2016-17 WITH FY 2015-16**

### **Total Income**

The Total revenue from operations for the FY 2016- 17 was ₹ 1760.99 Lakh as compared to ₹ 2525.30 Lakh during the FY 2015-2016, showing a decrease of 30.27%. The change in political/government policies and overall infrastructure sector resulted in decrease in revenue. The other income decreased from ₹ 3.38 Lakh in 2015- 16 as compared to ₹ 2.74 Lakh in FY 2016-2017, decreased mainly due to decrease in other non-operative income and Income Tax refund income. The Total income for the FY 2016- 17 was ₹ 1763.73 Lakh as compared to ₹ 2528.68 Lakh during the FY 2015-2016.

### **Expenditure:**

Our total expenses decreased by 32.61% to ₹ 1688.27 Lakhs in financial year 2016-17 from ₹ 2505.41 Lakhs in financial year 2015-16, due to the factors described below:

### **Costs of Material Consumed**

The total Purchases (including Material used for Consumption) decreased to ₹ 1450.23 Lakh in F.Y. 2016-17 from ₹ 2301.06 Lakh in the FY 2015-16 due to decrease in quantum work executed.

### **Employee Benefit Expenses**

Employee Benefit expenses decreased from ₹ 169.92 Lakh for FY 2015-16 to ₹ 165.44 Lakh for FY 2016-17 showing an decrease of 2.64% mainly on account of decrease in salary/wages and other benefits in the FY 2016-17.

### **Finance Cost**

Finance Cost decreased from ₹ 120.45 Lakh for FY 2015-16 to ₹ 105.13 Lakh for the FY 2016-17, showing a decrease of 12.72 % on account of decrease in interest amount and other borrowing cost.

### **Depreciation and amortization**

Depreciation Expense has decreased from ₹ 32.81 Lakh in FY 2015-16 to ₹ 30.02 Lakh for F.Y. 2016-17, showing a decrease of 8.50 %. The decrease was in line with normal business practice.

### **Other Expenses**

Other Expenses increased from ₹ 74.20 Lakh for FY 2015-16 to ₹ 92.23 Lakh for FY 2016-17 showing an increase of 24.30%, increase is due to the significant increase in the Auditors Remuneration, Electricity Expense, Conveyance and Travelling Expense, Donation Expense, Repairs & Maintenance of Building, Rent Expenses, Rent, Rates & Taxes and Miscellaneous Expenses.

### **Profit before Interest, Depreciation and Taxation (EBIDT)**

The EBIDT for the FY 2016-17 stood at 11.94% of the total revenue of the FY 2016-17 as against EBIDT for the FY 2015-16 which stood at 6.98% of the total revenue for the FY 2015-16.

### **Profit after Tax**

The company has earned a profit after tax of ₹ 50.94 Lakh in the FY 2016-17 as against profit after tax of ₹ 16.08 Lakh in the FY 2015-16. Even though revenue from operation decreased in FY 2016-17, the profit after Tax of the Company increased in FY 2016-17 over FY 2015-16, it increased due to huge decrease in total expenses by 32.61 % during the FY 2016-17 as compared to FY 2015-16.

## **RELATED PARTY TRANSACTIONS**

For further information please refer “Annexure – 36” on page no. 166 under Chapter titled “Auditors’ Report and Financial Information of our Company” beginning on page no. 133 of this Draft Prospectus.

## **FINANCIAL MARKET RISKS**

We are exposed to financial market risks from changes in borrowing costs, interest rates and inflation.

### **INTEREST RATE RISK**

We are currently exposed to interest rate risks to the extent of outstanding loans. However, any rise in future borrowings may increase the risk.

### **EFFECT OF INFLATION**

We are affected by inflation as it has an impact on the operating cost, staff costs etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

## **FACTORS THAT MAY AFFECT THE RESULTS OF THE OPERATIONS:**

### **1. Unusual or infrequent events or transactions.**

Up to our knowledge there have been no unusual or infrequent events or transactions that have taken place during the last three years except merger of Himgiri Solutions Private Limited (Incorporated on March 14, 2012 under the provisions of the Companies Act, 1956 vide Certificate of Incorporation issued by the Registrar of Companies, Gujarat, Dadra & Nagar Haveli) and Destiny Zone Security Systems Private Limited (Incorporated on May 22, 2013 under the provisions of the Companies Act, 1956 vide Certificate of Incorporation issued by the Registrar of Companies, Gujarat, Dadra & Nagar Haveli) with Ranjeet Electric Private Limited (Incorporated on June 10, 1993 under the provisions of the Companies Act, 1956 vide Certificate of Incorporation issued by the Assistant Registrar of Companies, Gujarat, Dadra & Nagar Haveli). For further details on “Scheme of Amalgamation”, please refer to chapter titled “History and Certain Corporate Matters” on page no. 106 of this Draft Prospectus.

### **2. Significant economic changes that materially affected or are likely to affect income from continuing operations.**

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in “Factors Affecting our Results of Operations” and the uncertainties described in the section entitled ‘Risk Factors’ beginning on page no. 9 of this Draft Prospectus. To our knowledge, except as we have described in this Draft Prospectus, there are no known factors which we expect to bring about significant economic changes.

**3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.**

Apart from the risks as disclosed under Section titled “Risk Factors” beginning on page no. 9 in this Draft Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

**4. Future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known.**

Our Company’s future costs and revenues will be determined by demand/supply situation, government policies.

**5. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or increased sales prices.**

Increases in revenues are by and large linked to increase in volume of business.

**6. Total turnover of each major industry segment in which the issuer company operated.**

The Company is into providing services related to Fire Fighting Solutions. Relevant Industry data, as available, has been included in the chapter titled “Industry Overview” beginning on page no. 69 of this Draft Prospectus.

**7. Status of any publicly announced new products or business segment.**

Our Company has not announced any new service and segment.

**8. The extent to which business is seasonal.**

Our Company’s Business is not seasonal in nature.

**9. Any significant dependence on a single or few suppliers or customers.**

Our top ten customers contribute almost 81% and 96% of our total sales for the year ended March 31, 2018 and March 31, 2017 respectively. Out of which almost 34% and 3% was contributed by one of our group entity – “Himgiri Engineers” for the year ended March 31, 2018 and March 31, 2017 respectively.

Further, our top ten suppliers delivered almost 69% and 55% of the total materials purchased for the year ended March 31, 2018 and March 31, 2017 respectively. Out of which our group entities – “Himgiri Engineers” and “Shrividya Engineers” have delivered almost 38% and 13% of total materials purchased for the year ended March 31, 2018 and March 31, 2017 respectively.

**10. Competitive conditions:**

We face competition from existing and potential competitors which is common for any business. We have, over a period of time, developed certain competitors who have been discussed in section titles “Business Overview” beginning on page no. 73 of this Draft Prospectus.

## SECTION VII – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

#### Note:

Pursuant to Board Resolution passed by the Board of Directors of our Company on July 12, 2018; for the purpose of this Issue and this Chapter;

“Material Dues” means outstanding dues to creditors in excess of ₹5.00 lakhs as per financial statement for the year ended on March 31, 2018.

“Pending Material Litigations” means all pending litigations, if the monetary amount of claim by or against the entity or person in such pending matter exceeds ₹10.00 lakhs;

Provided that in case of pending civil litigation proceedings wherein the monetary amount involved is not quantifiable, such litigation be considered as “Pending Material Litigations” only in the event when the outcome of such litigation has an adverse effect on the operations or performance of our Company.

Provided further that criminal proceedings, statutory or regulatory actions and taxation matters involving our Company, Promoters, Directors and Group Companies shall be considered “Pending Material Litigations” irrespective of amount involved therein.

Except, as stated in this section and mentioned elsewhere in this Draft Prospectus there are no litigations including, but not limited to suits, criminal proceedings, civil proceedings, actions taken by regulatory or statutory authorities or legal proceedings, including those for economic offences, tax liabilities, show cause notice or legal notices pending against our Company, Directors, Promoters, Subsidiaries, Group Companies or against any other company or person/s whose outcomes could have a material adverse effect on the business, operations or financial position of the Company and there are no proceedings initiated for economic, civil or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company, and no disciplinary action has been taken by SEBI or any stock exchange against the Company, Directors, Promoters, Subsidiaries or Group Companies.

Except as disclosed below there are no i) litigation or legal actions, pending or taken, by any Ministry or department of the Government or a statutory authority against our Promoters during the last five years; (ii) direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action; (iii) 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 and Subsidiaries including fines imposed or compounding of offences done in those five years; or (vi) material frauds committed against our Company in the last five years.

Except as stated below there are no Outstanding Material Dues (as defined above) to creditors; or (ii) outstanding dues to small scale undertakings and other creditors as per financial statement for the year ended on March 31, 2018.

Unless otherwise stated to the contrary, the information of Pending Material Litigations provided below is as of the date of this Draft Prospectus.

#### 1. Outstanding litigations involving our Company

(a) Litigations by Company: NIL

(b) Litigation against Company:

#### Under Income Tax Act, 1961

Following Demands for Income Tax have been raised by the Income Tax;

Sr. No.	Assessment Year	Section Code	Demand Identification Number	Date on which demand is raised	Outstanding Demand (in ₹)
1.	2015-16		2016201537072390971C	March 2, 2017	2,62,870.00
2.	2016-17	143(1)(a)	2016201637063725682C	January 11, 2017	9,86,380.00

Following Demands for Tax Deducted at Source are raised by Income Tax;

(Amount in ₹)

Sr. No.	Financial Year	Quarter	Form	Type of Default	Default Amount	Payable Amount	Net Payable Amount	Name of Company
1	2017-18	Q2	24Q	Interest on Late Payment	3348.00	0.00	400.00	Ranjeet Mechatronics Private Limited
				Late filing Levy	400.00	400.00		
		26Q	Interest on Late Payment	1770.00	0.00	400.00		
			Late filing Levy	400.00	400.00			
2	2015-16	Q2	26Q	Interest on Late Payment	1429.50	0.00	8580.00	
				Late filing Levy	7400.00	7400.00		
				Interest under section 220(2)	1184.00	1184.00		
		Q3	26Q	Interest on Late Payment	222.00	0.00	6600.00	
				Late filing Levy	6600.00	6600.00		
3	2014-15	Q3	24Q	Late filing Levy	2400.00	2400.00	2400.00	
			26Q	Late filing Levy	2400.00	2400.00	2400.00	
4	2012-13	Q1	24Q	Interest on Late Deduction	108.00	108.00	150.00	
				Interest under section 220(2)	43.00	43.00		
		Q4	24Q	Short Deduction	515.00	515.00	750.00	
				Interest on Late Payment	162.00	0.00		
				Interest on Short Deduction	235.00	235.00		
		Q4	26Q	Short Payment	5618.00	5618.00	9660.00	
				Interest on Late Payment	372.00	8.00		
				Interest on Short Payment	4032.00	4032.00		
5	2011-12	Q1	26Q	Interest on Late Payment	1275.00	870.00	1010.00	
		Q2	26Q	Interest on Late Payment	2487.00	1780.00	1880.00	
		Q3	26Q	Interest on Late Payment	1236.00	280.00	290.00	
6	2010-11	Q2	26Q	Interest on Late Payment	2140.00	230.00	270.00	
		Q3	26Q	Interest on Late Payment	3580.00	510.00	600.00	
		Q4	26Q	Interest on Late Payment	1850.00	460.00	540.00	
7	2015-16	Q2	24Q	Interest on Late Payment	40.50	0.00	920.00	
				Late filing levy	915.00	915.00		
		Q2	26Q	Interest on Late Payment	1132.50	0.00	6800.00	
				Late filing levy	6800.00	6800.00		
		Q3	24Q	Interest on Late Payment	22.50	0.00	0.00	
				Late filing levy	915.00	915.00		
			26Q	Interest on Late Payment	1114.50	0.00	6600.00	
				Late filing levy	6600.00	6600.00		
		Q4	24Q	Late filing levy	800.00	800.00	820.00	
				Interest under section 220(2)	24.00	24.00		
8	2014-15	Q1	26Q	Short Payment	2926.00	2926.00	3480.00	
				Short Deduction	427.00	427.00		
				Interest on Short Payment	117.00	117.00		
				Interest on Late Payment	27.00	0.00		
				Interest on Short Deduction	12.00	12.00		
		Q2	26Q	Interest on Late Payment	675.00	355.00	420.00	
				Interest under section 220(2)	63.00	63.00		
		Q3	24Q	Late filing levy	2400.00	2400.00	2400.00	
				26Q	Interest on Late Payment	355.50		0.00
					Late filing levy	2400.00		2400.00
		9	2013-14	Q1	26Q	Short Deduction	2137.00	2137.00
Interest on Short Deduction	102.00					102.00		
Q3	26Q			Short Deduction	2240.00	2240.00	2350.00	
				Interest on Late Payment	201.00	0.00		
		Interest on Short Deduction	110.00	110.00				
Q4	24Q	Interest on Late Deduction	462.00	462.00	460.00			

			26Q	Short Payment	5575.00	5575.00			
				Interest on Short Payment	412.50	412.50	5990.00		
10	2012-13	Q1	26Q	Interest on Late Payment	180.00	180.00	180.00		
		Q2	26Q	Interest on Late Payment	342.00	342.00	340.00		
		Q4	24Q	Short Payment	1285.00	1285.00	2240.00		
				Interest on Short Payment	727.50	727.50			
				Interest on Late Payment	231.00	231.00			
		26Q	26Q	Short Payment	5967.00	5967.00	145330.00		
				Short Deduction	129557.20	129557.20			
				Interest on Short Payment	742.50	742.50			
				Interest on Short Deduction	9065.00	9065.00			
11	2015-16	Q2	24Q	Interest on Late Payment	270.00	0.00	6190.00	Destiny Zone Security Systems Private Limited	
				Late filing Levy	6186.00	6186.00			
		Q2	26Q	Interest on Late Payment	1575.00	0.00	8000.00		
				Late filing Levy	8000.00	8000.00			
		Q3	24Q	Interest on Late Payment	150.00	0.00	2600.00		
				Late filing Levy	2600.00	2600.00			
			26Q	Interest on Late Payment	1615.50	0.00	6600.00		
				Late filing Levy	6600.00	6600.00			
		Q4	24Q	Interest on Late Payment	45.00	0.00	800.00		
				Late filing Levy	800.00	800.00			
12	2014-15	Q3	24Q	Late filing Levy	2400.00	2400.00	2400.00		
				26Q	Short Deduction	1.00		1.00	2400.00
		Late filing Levy	2400.00		2400.00				
		Q4	26Q	Interest on Late Payment	7897.50	97.50	100.00		
13	2013-14	Q2	26Q	Interest on Late Payment	180.00	0.00	2000.00		
				Late filing Levy	2000.00	2000.00			
		Q3	26Q	Interest on Late Payment	405.00	0.00	8000.00		
				Late filing Levy	8000.00	8000.00			
<b>Total Net Payable Amount</b>							<b>258910.00</b>		

**2. Outstanding litigations involving Our Promoters.**

(a) Litigations by Promoters: NIL

(b) Litigation against Promoters: NIL

**3. Outstanding litigations involving Our Directors.**

(a) Litigations by Directors: NIL

(b) Litigation against Directors: NIL

**4. Outstanding litigations involving Our Group Companies.**

(a) Litigation by Group Companies: NIL

(b) Litigation against Group Companies: NIL

**5. Penalties imposed in past cases for the last five years: NIL**

**6. Material Developments Since the Last Balance Sheet:**

Except as mentioned under the chapter "Management Discussion and Analysis of Financial Condition and Result of Operation" on page no. 170 of this Draft Prospectus, there have been no material developments, since the date of the last audited balance sheet.

**7. Material Dues to the Creditors:**



As of March 31, 2018, our Company had 112 creditors, to whom a total amount of ₹ 520.35 lakhs was outstanding. Based on the resolution passed by the Board of Directors of our Company on July 12, 2018 determining the quantum of “Material Dues”, the following are the material dues to the creditors of our Company.

(₹ in Lakh)

Name of Creditors	As at March 31, 2018
Madras Steels & Tubes*	152.48
Tube Traders	132.70
Newage Fire Fighting Company Limited	31.63
Shrividya Engineers	28.98
Chemical Process Piping Private Limited*	21.36
Siemens Limited	18.48
Himgiri Engineers	18.14
Winco Valves Private Limited	15.66
Shree Krishna Fabricators	11.33
Safeguard Fire Protections Private Limited	9.03
Vishnu Projects And Constructions Private Limited	8.43
Calcutta Tube Valves And Flanges Private Limited	7.42
Newage Pumps	5.82

\* The amount due are under disputes in opinion of management and till date of this Draft Propsectus, no action has been taken for such disputes.

Further, followings are outstanding dues to Small Scale Undertakings;

(₹ in Lakh)

Name of Creditors	As at March 31, 2018
Himgiri Engineers	18.14
Shrividya Engineers	28.98

In opinion of management of the Company, except above mentioned Small Scale Undertakings, none of the creditors have confirmed their status as small scale undertakings.

The details pertaining to net outstanding dues towards our Material Creditors and Small Scale Undertakings shall be made available under investors’ section on the website of our Company i.e. [www.ranjeet.co.in](http://www.ranjeet.co.in). It is clarified that such details available on our website do not form a part of this Prospectus. Anyone placing reliance on any other source of information, including our Company’s website, [www.ranjeet.co.in](http://www.ranjeet.co.in) would be doing so at their own risk.

Except otherwise stated above, there are no pending cases with such Material Creditors.

## OTHER MATTERS

Nil

**Details of any inquiry, inspection or investigation initiated under present or previous companies laws in last five years against the company or its subsidiaries**

Nil

**Outstanding litigation against other companies or any other person whose outcome could have an adverse effect on our company**

Nil

## GOVERNMENT AND OTHER STATUTORY APPROVALS

In view of the approvals listed below, the Company can undertake this Issue and its current business activities and no further major approvals from any governmental or regulatory authority except otherwise stated in this section.

### 1) Approvals for the Proposed Issue:

1. The Board of Directors has, pursuant to a resolution passed at its meeting held on May 28, 2018, authorized the Issue, subject to the approval of the shareholders of the Company under Section 62(1)(c) of the Companies Act, 2013 and approvals by such other authorities, as may be necessary.
2. The shareholders of the Company have, pursuant to a special resolution passed in EoGM held on June 4, 2018, authorized the Issue under Section 62(1)(c) of the Companies Act, 2013, subject to approvals by such other authorities, as may be necessary.
3. The Company has obtained in-principle listing approval dated [●] from BSE for using its name in this offer document for listing of our shares on the SME Platform of BSE Limited.
4. The Company has entered into an agreement dated July 19, 2018 with the Central Depository Services (India) Limited (“CDSL”) and Alankit Assignments Limited, the Registrar and Transfer Agent for the dematerialization of its shares.
5. Similarly, the Company has also entered into an agreement dated July 23, 2018 with the National Securities Depository Limited (“NSDL”) and Alankit Assignments Limited, the Registrar and Transfer Agent for the dematerialization of its shares.
6. The Company's International Securities Identification Number (“ISIN”) is INE01A501019.

Following tables sets out the details of licenses, permissions and approvals obtained, applied and yet to receive and yet to apply by the Company under various Central and State Laws for carrying out its business.

### 2) Registration obtained under the Companies Act, 1956 and 2013:

Sr. No.	Authority Granting Approval	Approval/ Registration No.	Applicable Laws	Nature of Approvals	Validity
1.	Assistant Registrar of Companies, Gujarat, Dadra & Nagar Haveli	Certificate of Incorporation 04-19635 of 1993-94 dated June 10, 1993	Companies Act, 1956	Certificate of Incorporation in name of Ranjeet Electric Private Limited	Valid, till Cancelled
2.	Assistant Registrar of Companies, Registrar of Companies, Ahmedabad	U31100GJ1993PTC019635 dated February 1, 2016	Companies Act, 2013	Certificate of Registration of the Special Resolution Confirming Alteration of Object Clause(s)	Valid, till Cancelled
3.	Deputy Registrar of Companies, Registrar of Companies, Ahmedabad	CIN: U31100GJ1993PTC019635 dated February 3, 2016	Companies Act, 2013	Certificate of Incorporation pursuant to change of name from “Ranjeet Electric Private Limited” To “Ranjeet Mechatronics Private Limited”	Valid, till Cancelled
4.	Deputy Registrar of Companies, Registrar of Companies, Ahmedabad	CIN: U31100GJ1993PLC019635 dated May 28, 2018	Companies Act, 2013	Fresh Certificate of Incorporation Consequent upon Conversion from Private Company to Public Company	Valid, till Cancelled

**3) Registration under various Acts/Rules relating to Income Tax, Sales Tax, Value Added Tax, Central Excise and Service Tax:**

<b>Sr. No.</b>	<b>Authority Granting Approval</b>	<b>Approval/ Registration No.</b>	<b>Applicable Laws</b>	<b>Nature of Approvals</b>	<b>Validity</b>
1.	Income Tax Department	AAACR7491R	Income Tax Act, 1961	Permanent Account Number	Valid, till cancelled
2.	Income Tax Department	AHMR00844E	Income Tax Act, 1961	Tax Deduction Account Number*	Valid, till cancelled
3.	Commercial Taxes Department, Government of Gujarat	24075500191 effective from July 1, 2002^	Gujarat Value Added Tax Act, 2003	VAT Registration Number for the state of Gujarat*	Valid, till cancelled
4.	Commercial Taxes Department, Government of Gujarat	24575500191 effective from June 19, 1993^	The Central Sales Tax (Registration and Turnover) Rules, 1957	Central Sales Tax Number for the state of Gujarat*	Valid, till cancelled
5.	Commercial Taxes Department, Government of Bihar	10051402060 effective from April 26, 2018^	The Bihar Value Added Tax Act, 2005	VAT Registration Number for the state of Bihar*	Valid, till cancelled
6.	Commercial Taxes Department, Government of Bihar	10051099171 effective from April 26, 2018^	The Central Sales Tax Act, 1956	Central Sales Tax Number for the state of Bihar*	Valid, till cancelled
7.	Commercial Taxes Department, Government of Bihar	10050999298 effective from April 26, 2018^	The Bihar Tax on Entry of Goods into Local areas for Consumption, Use or Sale Therein Act, 1993	Entry Tax for the state of Bihar*	Valid, till cancelled
8.	Commercial Taxes Department, Uttar Pradesh	09550046939 registered on September 22, 2015^	The Uttar Pradesh Value Added Tax Act, 2008	VAT Registration Number for the state of Uttar Pradesh*	Valid, till cancelled
9.	Commercial Taxes Department, Uttar Pradesh	09550046939C registered on September 22, 2015^	The Central Sales Tax Act, 1956	Central Sales Tax Number for the state of Uttar Pradesh*	Valid, till cancelled
10.	Commercial Taxes Department, Government of Rajasthan	08083909657 issued on October 29, 2015^	The Rajasthan Value Added Tax Act, 2003	VAT Registration Number for the state of Rajasthan@	Valid, till cancelled
11.	Commercial Taxes Department, Government of Rajasthan	08083909657 issued on October 29, 2015^	The Central Sales Tax Act, 1956	Central Sales Tax Number for the state of Rajasthan@	Valid, till cancelled
12.	Excise and Taxation Department, Government of Punjab	03892187544 effective from September 24, 2015^	The Punjab Value Added Tax Act, 2005	VAT Registration Number for the state of Punjab@	Valid, till cancelled
13.	Excise and Taxation Department, Government of Punjab	03892187544 effective from September 24, 2015^	The Central Sales Tax Act, 1956	Central Sales Tax Number for the state of Punjab@	Valid, till cancelled
14.	Excise and Taxation Department, Government of Haryana	06532239830 registered on January 7, 2015^	The Haryana Value Added Tax Act, 2003	VAT	Valid, till cancelled

				Registration Number for the state of Haryana*	
15.	Excise and Taxation Department, Government of Haryana	06532239830 registered on January 7, 2015^	The Central Sales Tax Act, 1956	Central Sales Tax Number for the state of Haryana*	Valid, till cancelled
16.	Commercial Tax Officer, Government of Chhattisgarh	22351705874 issued on September 8, 2016^	The Chhattisgarh Value Added Tax Act, 2003	VAT Registration Number for the state of Chhattisgarh*	Valid, till cancelled
17.	Commercial Tax Officer, Government of Chhattisgarh	22351705874 issued on September 8, 2016^	The Central Sales Tax Act, 1956	Central Sales Tax Number for the state of Chhattisgarh*	Valid, till cancelled
18.	Central Board of Excise and Customs	AAACR7491RSD001^	Chapter V of the Finance Act, 1994 read with the Service Tax Rules, 1994	Service Tax Registration*	Valid, till cancelled
19.	The Central Goods And Services Tax Act, 2017	GSTIN: 24AAACR7491R1ZN issued on September 24, 2017	The Central Goods And Services Tax Act, 2017	Certification of Registration under the Central Goods And Services Tax Act, 2017 for the state of Gujarat	Valid, till Cancelled
20.	The Central Goods And Services Tax Act, 2017	GSTIN: 10AAACR7491R1ZW issued on November 7, 2017	The Central Goods And Services Tax Act, 2017	Certification of Registration under the Central Goods And Services Tax Act, 2017 for the state of Bihar	Valid, till cancelled
21.	The Central Goods And Services Tax Act, 2017	GSTIN: 22AAACR7491R1ZR issued on September 25, 2017	The Central Goods And Services Tax Act, 2017	Certification of Registration under the Central Goods And Services Tax Act, 2017 for the state of Chhattisgarh	Valid, till cancelled
22.	The Central Goods And Services Tax Act, 2017	GSTIN: 30AAACR7491R1ZU issued on September 27, 2017	The Central Goods And Services Tax Act, 2017	Certification of Registration under the Central Goods And Services Tax Act, 2017 for the Union Territory of Goa	Valid, till cancelled
23.	The Central Goods And Services Tax Act, 2017	GSTIN: 06AAACR7491R1ZL issued on September 25, 2017	The Central Goods And Services Tax Act, 2017	Certification of Registration under the Central Goods And Services Tax Act, 2017 for the state of Haryana	Valid, till cancelled
24.	The Central Goods And Services Tax Act, 2017	GSTIN: 03AAACR7491R1ZR issued on September 25, 2017	The Central Goods And Services Tax Act, 2017	Certification of Registration under the Central Goods And Services Tax Act, 2017 for the state of Punjab	Valid, till cancelled

25.	The Central Goods And Services Tax Act, 2017	GSTIN: 08AAACR7491R1ZH issued on September 25, 2017	The Central Goods And Services Tax Act, 2017	Certification of Registration under the Central Goods And Services Tax Act, 2017 for the state of Rajasthan	Valid, till cancelled
26.	The Central Goods And Services Tax Act, 2017	GSTIN: 09AAACR7491R1ZF issued on January 13, 2018	The Central Goods And Services Tax Act, 2017	Certification of Registration under the Central Goods And Services Tax Act, 2017 for the state of Uttar Pradesh	Valid, till cancelled

\* In the name of “Ranjeet Mechatronics Private Limited”.

^ It is replaced by Goods and Services Tax.

@ Originally license was issued in the name of Destiny Zone Security Systems Private Limited and same was transferred to the Ranjeet Mechatronics Private Limited due to amalgamation of Destiny Zone Security Systems Private Limited with Ranjeet Mechatronics Private Limited

#### 4) Licenses/ Approvals under Industrial and Labour Laws:

Sr. No.	Authority Granting Approval	Approval/ Registration No.	Applicable Laws	Nature of Approvals*	Validity
1.	Regional office, Ahmedabad	Registration No. 2577580307GJAHD dated May 22, 2016  Code No. GJAHD1472505 dated May 22, 2016	Employee’s Provident Funds and Miscellaneous Provisions Act, 1952	Registration with Regional Provident Fund Office for Depositing the Contribution and Subscription of the employees.	Valid, till Cancelled
2.	Deputy Director, ESIC, Ahmedabad	Code: 37001080090000911 issued on May 18, 2016	The Employees’ State Insurance Act, 1948	Insurance for Employee of Establishment	Valid, till Cancelled
3.	Professional Tax Department, Ahmedabad Municipal Corporation	Professional Tax No. PEC015150772 issued on February 17, 2016	Gujarat State Tax on Profession, Trade, Callings and Employment Act, 1976	Certificate of Registration	Valid, till Cancelled
4.	Professional Tax Department, Ahmedabad Municipal Corporation	Professional Tax No. PRC015150508 issued on February 17, 2016	Gujarat State Tax on Profession, Trade, Callings and Employment Act, 1976	Certificate of Registration	Valid, till Cancelled
5.	Shops and Establishment Department, Ahmedabad Municipal Corporation	Registration No. PII/EL/00/0007290	The Bombay Shops & Establishment Act, 1948	Certificate of Registration	Valid up to December 31, 2018

\* In the name of “Ranjeet Mechatronics Private Limited”.

#### 5) Other Certificates, license, approval etc.:

Sr. No.	Authority Granting Approval	Registration No.	Applicable Laws/Rules	Nature of Approvals	Validity
1.	Ministry of Micro, Small and Medium Enterprises	Udyog Aadhaar Number: GJ01D0104335	---	Udyog Adhaar Memorandum	Valid, till Cancelled

Our Company has taken Domain Registration of our Website i.e. www.ranjeet.co.in, which is valid up to September 7, 2018.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

The Board of Directors has, pursuant to a resolution passed at its meeting held on May 28, 2018, authorized the Issue, subject to the approval of the shareholders of the Company under Section 62(1)(c) of the Companies Act, 2013 and approvals by such other authorities, as may be necessary.

The shareholders of the Company have, pursuant to a special resolution passed in EoGM held on June 4, 2018, authorized the Issue under Section 62(1)(c) of the Companies Act, 2013, subject to approvals by such other authorities, as may be necessary.

We have received in principle approval from BSE Limited vide their letter dated [●] to use the name of BSE Limited in the Draft Prospectus for listing of our Equity Shares on SME Platform of BSE Limited. BSE Limited is the Designated Stock Exchange for the purpose of this issue.

### PROHIBITION BY SEBI

Our Company, our Promoters, our Directors and our Promoter Group, have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.

The Companies with which our Promoters, our Directors or persons in control of our Company are/ were associated as promoters, directors or persons in control have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.

None of the Directors in any manner associated with any entities which are engaged in securities market related business and are registered with the SEBI.

There has been no action taken by SEBI against any of our Directors or any entity with which our Directors are associated as Promoters or directors.

### PROHIBITION BY RBI OR GOVERNMENTAL AUTHORITY

Neither our Company, nor our Promoters, or the relatives (as defined under the Companies Act) of our Promoters or Group Companies have been identified as wilful defaulters by the RBI or any other governmental authority. There are no violations of securities laws committed by them in the past or no proceedings thereof are pending against them.

### ELIGIBILITY FOR THE ISSUE

We are an issuer whose post issue paid-up capital is not more than ₹ 10 Crore and therefore, our company is eligible for the Issue in accordance with Regulation 106(M)(1) and other provisions of Chapter XB of the SEBI (ICDR) Regulations. Our Company also complies with the eligibility conditions laid by the SME Platform of BSE Limited for listing of our Equity Shares.

#### **We confirm that:**

1. In accordance with regulation 106(P) of the SEBI ICDR Regulations, this Issue will be 100% underwritten and that the LM will underwrite at least 15% of the total issue size. For details pertaining to underwriting by Lead Manager, please refer to chapter titled "General Information" beginning on page no. 33 of this Draft Prospectus.
2. In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our company becomes liable to repay it, then our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013.
3. In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have neither filed any Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. We shall also ensure that our Lead Manager submits the copy of Draft Prospectus along with a Due Diligence Certificate including additional confirmations to Stock Exchange and Prospectus along with a Due Diligence Certificate including additional confirmations with the Stock Exchange, Securities Exchange Board of India and the Registrar of Companies.

4. In accordance with Regulation 106(V) of the SEBI (ICDR) Regulations, the Lead Manager will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Issue. For details of the market making arrangement, see chapter titled “General Information” beginning on page no. 33 of this Draft Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter XB of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of Chapter XB of SEBI (ICDR) Regulations, 2009, the provisions of sub regulations (1), (2) and (3) of regulation 6, regulation 8, regulation 9, regulation 10, regulation 25, regulation 26, regulation 27 and sub regulation (1) of regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us for this Issue.

Our Company is also eligible for the Issue in accordance with eligibility norms for listing on SME Platform of BSE, which states as follows:

**1. The Issuer should be a company incorporated under the Companies Act 1956.**

Our Company is incorporated under the Companies Act, 1956.

**2. The post issue paid up capital of the company (face value) shall not be more than ₹ 2500.00 Lakh.**

The present paid-up capital of our Company is ₹ 480.00 Lakh and we are proposing issue of 18,00,000 Equity Shares of ₹ 10/- each at issue price of ₹ 25/- per Equity Share including share premium of ₹ 15/- per Equity Share aggregating to ₹ 450.00 Lakh. Hence, our Post Issue Capital will be ₹ 660.00 Lakh which less than ₹ 2500.00 Lakh.

**3. Positive Net worth.**

Our Company satisfies the criteria of Positive Net worth.

(₹ in lakh)			
Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016
Net Worth as per Restated Financial Statement	258.67	167.36	116.41

**4. Track Record.**

- A. The company should have a (combined) track record of at least 3 years.

Our Company satisfies the criteria of track record.

(₹ in lakh)			
Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016
Profit(Loss) as per Restated Financial Statement	91.31	50.95	16.08

- B. The company should have combined positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years preceding the application and its net worth should be positive.

Our Company satisfies the criteria of track record.

(₹ in lakh)			
Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016
Cash Accruals as per Restated Financial Statement	162.76	105.49	56.07
Net Worth as per Restated Financial Statement	258.67	167.36	116.41

**5. Other Requirements**

- A. It is mandatory for a company to have a website.



Our Company has functional website – www.ranjeet.co.in.

- B. It is mandatory for the company to facilitate trading in demat securities and enter into an agreement with both the depositories.

To facilitate trading in demat securities, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a. a tripartite agreement dated July 23, 2018 with NSDL, our Company and Registrar to the Issue;  
b. a tripartite agreement dated July 19, 2018 with CDSL, our Company and Registrar to the Issue;

The Company's shares bear an ISIN: INE01A501019

- C. There should not be any change in the promoters of the company in preceding one year from date of filing the application to BSE for listing under SME segment.

There is no such change in the Promoters of our Company.

## 6. Disclosures

We confirm that certificate confirming the below details is submitted to the Stock Exchange;

- i. The Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).  
ii. There is no winding up petition against the company, which has been admitted by the court or a liquidator has not been appointed.

### SEBI DISCLAIMER CLAUSE

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKER, BEELINE BROKING LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER BEELINE BROKING LIMITED HAS FURNISHED TO STOCK EXCHANGE/SEBI A DUE DILIGENCE CERTIFICATE DATED AUGUST 1, 2018 WHICH READS AS FOLLOWS:**

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENTS DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT PROSPECTUS PERTAINING TO THE SAID ISSUE;**
- 2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**

- (A) THE DRAFT PROSPECTUS FILED WITH THE BOARD/ EXCHANGE IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**

- (B) ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
- (C) THE DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013 AND APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**
- 3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**
  - 4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.**
  - 5. WE CERTIFY THAT WRITTEN CONSENT FROM 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 THE DRAFT PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT PROSPECTUS.**
  - 6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT PROSPECTUS.**
  - 7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE VIS-À-VIS AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – NOT APPLICABLE**
  - 8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.**
  - 9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE OFFER DOCUMENT. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE COMPANY SPECIFICALLY CONTAINS THIS CONDITION.**
  - 10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE- NOT APPLICABLE; SECTION 29 OF THE COMPANIES ACT, 2013, INTER ALIA, PROVIDES**

**THAT EVERY COMPANY MAKING PUBLIC OFFERS SHALL ISSUE SECURITIES ONLY IN DEMATERIALIZED FORM BY COMPLYING WITH THE PROVISIONS OF THE DEPOSITORIES ACT, 1996 AND THE REGULATIONS MADE THEREUNDER..**

11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT PROSPECTUS:
  - (A) AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND
  - (B) AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE.
14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE ,ETC.
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY”
16. WE ENCLOSE STATEMENT ON ‘PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS (WHO ARE RESPONSIBLE FOR PRICING THIS ISSUE)’, AS PER FORMAT SPECIFIED BY THE BOARD (SEBI) THROUGH CIRCULAR. AS PER ANNEXURE “A”
17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS. – *COMPLIED WITH TO EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARDS 18 IN THE FINANCIAL STATEMENTS OF THE COMPANY INCLUDED IN THE DRAFT PROSPECTUS.*

**ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY LEAD MANAGER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE**

1. WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE OFFER DOCUMENT HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.
2. WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN OFFER DOCUMENT AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.
3. WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009. - NOTED FOR COMPLIANCE

4. WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER.
5. WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISIO TO SUB REGULATION (4) OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009; THE CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE DRAFT PROSPECTUS. – NOT APPLICABLE
6. WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION [106P] AND [106V] OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, HAVE BEEN MADE.

THE FILING OF THE OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER SECTION 34, 35 36 AND 38 (1) OF THE COMPANIES ACT, 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 MANAGER, ANY IRREGULARITIES OR LAPSES IN THE OFFER DOCUMENT.

ALL LEGAL REQUIREMENTS PERTAINING TO THIS ISSUE WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE DRAFT PROSPECTUS WITH THE REGISTRAR OF COMPANIES, AHMEDABAD, IN TERMS OF SECTION 26, 30, 32 AND SECTION 33 OF THE COMPANIES ACT, 2013.

#### **CAUTION- DISCLAIMER FROM OUR COMPANY AND THE LEAD MANAGER**

The Company, the Directors, and the Lead Manager accept no responsibility for statements made otherwise than in this Draft Prospectus or in the advertisements or any other material issued by or at instance of the above mentioned entities and anyone depending on any other source of information, including our website: [www.ranjeet.co.in](http://www.ranjeet.co.in) would be doing so at his or her own risk.

#### **CAUTION**

The Lead Manager accepts no responsibility, save to the limited extent as provided in the Memorandum of Understanding entered into between the Lead Manager, Beeline Broking Limited and our Company dated June 30, 2018 and the Underwriting Agreement dated June 30, 2018 between Beeline Broking Limited and our Company and the Market Making Agreement dated June 30, 2018 entered into among the Beeline Broking Limited and our Company.

All information shall be made available by us and LM to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centers etc.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company and our Promoter Group, affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company and our Promoter Group, affiliates or associates for which they have received, and may in future receive, compensation.

#### **NOTE:**

Investors that apply in this Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters and Lead Manager and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our company and will not offer, sell, pledge or transfer the Equity Shares of our company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our company. Our Company, the Underwriters and the Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our company.

#### **PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER**

For details regarding the price information and track record of the past issue handled by Beeline Broking Limited, as specified in the circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by SEBI, please refer Annexure “A” to this Draft Prospectus and the website of Lead Manager at [www.beelinebroking.com](http://www.beelinebroking.com).

Track Record of the public issues managed by Lead manager as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI; please see the website of Lead manager i.e. [www.beelinebroking.com](http://www.beelinebroking.com).

#### DISCLAIMER IN RESPECT OF JURISDICTION

This issue is being made in India to persons resident in India including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under the applicable trust law and who are authorized under their constitution to hold and invest in shares, and any FII sub –account registered with SEBI which is a foreign corporate or go reign individual, permitted insurance companies and pension funds and to FIIs and Eligible NRIs. This Draft Prospectus does not, however, constitute an invitation to subscribe to Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Draft Prospectus comes is required to inform him or herself about and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Ahmedabad only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose.

Accordingly, our Company’s Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of Draft Prospectus nor any sale here under shall, under any circumstances, create any implication that there has been any change in our Company’s affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

#### DISCLAIMER CLAUSE OF THE BSE

As required, a copy of this Draft Prospectus is being submitted to BSE. Post scrutiny of this Draft Prospectus, the Disclaimer Clause as intimated by BSE to us shall be included in the Draft Prospectus prior to the RoC filing.

#### DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT, 1993

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to “qualified institutional buyers”, as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

**Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.**

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

#### FILING OF PROSPECTUS WITH THE BOARD AND THE REGISTRAR OF COMPANIES

A copy of Draft Prospectus neither be filed with SEBI nor SEBI will issue any observation on the offer document in term of Regulation 106(O)(1). However, a copy of the Prospectus shall be filed with SEBI at Western Regional Office, Unit No. 002, Ground Floor, SAKAR I, Near Gandhigram Railway Station, Opp. Nehru Bridge, Ashram Road, Ahmedabad – 380 009.

A copy of the Prospectus, along with the documents required to be filed under Section 26 of the Companies Act, 2013, will be delivered to the RoC situated at RoC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus-Stop, Naranpura, Ahmedabad – 380 013.

## LISTING

Our company has obtained In-Principle approval from BSE vide letter dated [●] to use name of BSE in this offer document for listing of equity shares on SME Platform of BSE.

Application is being made to the SME Platform of BSE for obtaining permission to deal in and for an official quotation of our Equity Shares. BSE Limited is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the issue.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the BSE, the Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of the Draft Prospectus. If such money is not repaid within Eight days after our Company becomes liable to repay it then our Company and every officer in default shall, on and from such expiry of Eight days, be liable to repay such application money, with interest at the rate of 15% per annum on application money, as prescribed under as prescribed under Section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE mentioned above are taken within Six Working Days from the Issue Closing Date.

## IMPERSONATION

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who –

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- (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 of not less than six months extending up to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

## CONSENTS

The written consents of Promoters, Directors, the Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditor, Peer Review Auditor, Bankers’ to the Company, [●], Legal Advisor to the Issue, the Lead Manager to the Issue, Underwriter, Registrar to the Issue and Market Makers to act in their respective capacities have been obtained.

Above consents will be filed along with a copy of the Prospectus with the ROC, as required under Sections 26 and 32 of the Companies Act, 2013 and such consents have not been withdrawn up to the time of delivery of the Prospectus for registration with the ROC. – NOTED FOR COMPLIANCE

In accordance with the Companies Act and the SEBI (ICDR) Regulations, 1) M/s. Mistry & Shah, Chartered Accountants have provided their written consent to the inclusion of their report dated July 25, 2018 regarding restated financial statements; 2) M/s. Philip Fernandes & Co., Chartered Accountants have provided their written consent for the inclusion of Statement of Tax Benefits dated June 12, 2018 as applicable and 3) M/s. Philip Fernandes & Co., Chartered Accountants have provided their written consent for the inclusion of extract of Certificate on Source of Minimum Capital Contribution by Promoters, which may be available to the Company and its shareholders, included in this Draft Prospectus in the form and context in which they appear therein.



Further, such consents and reports have not been withdrawn up to the time of delivery of this Draft Prospectus. – NOTED FOR COMPLIANCE

### EXPERT OPINION

Except for (a) Peer Review Auditors' reports on the restated financial statements by M/s. Mistry & Shah, Chartered Accountants, (b) Statement of Tax Benefits by the statutory auditors, M/s. Philip Fernandes & Co., Chartered Accountants (Copies of the said report and statement of tax benefits has been included in the Draft Prospectus) (c) Certificate on Source of Minimum Capital Contribution by Promoters by M/s. Philip Fernandes & Co., Chartered Accountants; we have not obtained any other expert opinions.

### PUBLIC ISSUE EXPENSES

The Management estimates an expense of ₹ 38.00 Lakhs towards issue expense. The expenses of this include, among others, underwriting and management fees, printing and distribution expenses, advertisement expenses, legal fees and listing fees. The estimated Issue expenses are as follows:

(₹ in lakh)			
Sr. No.	Particulars	Amount (₹)	Expenses (% of total Issue expenses)
1.	Payment to Merchant Banker	24.00	63.16
2.	Regulatory Fees, printing, advertising, and payment to other intermediaries such as Registrars, Bankers etc.	10.00	26.32
3.	Market Making and Other Expenses	4.00	10.53
	<b>Total</b>	<b>38.00</b>	<b>100.00</b>

**Note:**

Up to July 25, 2018, Our Company has deployed/incurred expense of ₹1.66 Lakhs towards Issue Expenses out of internal accruals duly certified by Statutory Auditor M/s. Philip Fernandes & Co. Chartered Accountants vide its certificate dated July 26, 2018.

Any expenses incurred towards aforesaid issue related expenses during the period from July 26, 2018 to till the date of listing of Equity Shares will be reimburse/recouped out of the gross proceeds of the issue.

### FEES PAYABLE TO LEAD MANAGER TO THE ISSUE

The total fees payable to the Lead Manager (underwriting Commission and Selling Commission and reimbursement of their out of pocket expenses) will be as per the Engagement Letter, a copy of which is available for inspection at the Registered Office of our Company.

### FEES PAYABLE TO THE REGISTRAR TO THE ISSUE

The fees payable to the Registrar to the Issue, for processing of application, data entry, printing of refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the Agreement between the Company and the Registrar to the Issue dated June 5, 2018.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, communication expenses etc. 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 or email.

### FEES PAYABLE TO OTHERS

The total fees payable to the Legal Advisor, Statutory Auditor and Peer Review Auditor, Market maker and Advertiser, etc. will be as per the terms of their respective engagement letters.

### UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

We have not made any previous public issues. Therefore, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring for, or agreeing to procure subscription for any of the Equity Shares of the Company since its inception.

### COMMISSION PAYABLE TO SCSBS

The brokerage and selling commission payable to SCSBs for the ASBA Application Forms procured by them would be at par as payable to brokers for the Application forms procured by them.



SCSBs will be entitled to a processing fee of ₹ 10/- per Application Form for processing of the Application Forms procured by other Application Collecting Intermediary and submitted to them on successful allotment.

Selling commission payable to Registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Applicants and Non Institutional Applicants, would be 0.05% on the Amount Allotted (Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price).

The commissions and processing fees shall be payable within 30 working days post the date of receipt of final invoices of the respective intermediaries.

#### **PREVIOUS PUBLIC OR RIGHTS ISSUE**

There have been no public or rights issue by our Company during the last five years.

#### **PREVIOUS ISSUES OF EQUITY SHARES OTHERWISE THAN FOR CASH**

Except as stated in the chapter titled “Capital Structure” beginning on page no. 38 of this Draft Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

#### **CAPITAL ISSUE DURING THE LAST THREE YEARS**

Our Company and its Group Company have not made any capital issue during the last three years.

#### **LISTED VENTURES OF PROMOTER**

There are no listed ventures of our Company as on date of filing of this Draft Prospectus.

#### **PROMISE VIS-A-VIS PERFORMANCE**

Since neither our Company nor our Promoter Group Companies/Entities have made any previous rights or public issues during last 10 years, Promise vis-a-vis Performance is not applicable.

#### **OUTSTANDING DEBENTURES OR BONDS AND REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS**

There are no outstanding debentures or bonds or redeemable preference shares and other instruments issued by the Company as on the date of this Draft Prospectus.

#### **STOCK MARKET DATA FOR OUR EQUITY SHARES**

This being an Initial Public Offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange.

#### **MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

All grievances relating to the Offer may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate (in Specified Cities), as the case may be, where the Bid cum Application Form was submitted by the ASBA Bidder, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount blocked on application and designated branch or the collection centre of the SCSBs or the member of the Syndicate (in Specified Cities), as the case may be, where the Bid cum Application Form was submitted by the ASBA Bidder.

#### **DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY**

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the SCSB (in case of ASBA Bidders), for redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted Stakeholders Relationship Committee comprising of Mr. Jayanta Kumar Pani – Chairperson, Mr. Kunal Sudhirbhai Shah – Member and Mr. Rakesh Vallabhbbhai Swadia – Member.

Our Company has also appointed Mrs. Falguni Patel, as a Company Secretary and Compliance Officer of our company, for this Issue and she may be contacted in case of any pre-issue or post-issue related problems at the following address:

**Mrs. Falguni Patel**

Company Secretary and Compliance Officer,

**Ranjeet Mechatronics Limited,**

Block A, 407 - 4th Floor, Dev Aurum,  
Anand Nagar Cross Road, Prahladnagar Road,  
Ahmedabad – 380 015, Gujarat  
**Tel No.:** +91 – 79 – 4000 9390;  
**Email:** cs.compliance@ranjeet.co.in  
**Web:** www.ranjeet.co.in

**CHANGES IN AUDITORS**

There has been no change in the Auditors of the company during the last three years.

**CAPITALIZATION OF RESERVES OR PROFITS DURING LAST 5 (FIVE) YEARS**

Except allotment of 3599985 bonus equity shares in the ratio of 3:1 (3 equity shares for every 1 equity share) by capitalizing credit balance of Securities and Premium Account to the extent of ₹ 2,52,50,017.50/- and credit balance of Surplus Account to the extent of ₹ 1,07,49,832.50/- on May 18, 2018 as stated below, we have not issued Equity Shares by capitalization of reserves or profits during last 5 (five) years;

Sr. No.	Name of Allottee	Category of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)	Reason	Benefit accrued to Company
1.	Mr. Rakesh Vallabhbbhai Swadia	Promoter	1231590	10	-	Bonus Issue	Nil
2.	Mr. Devarshi Rakeshbhai Swadia	Promoter	840930	10	-	Bonus Issue	Nil
3.	Mrs. Nitaben Rakeshbhai Swadia	Promoters' Group	591510	10	-	Bonus Issue	Nil
4.	Ms. Manishaben Rajkumar Mathani	Promoters' Group	251970	10	-	Bonus Issue	Nil
5.	Rakesh V Swadia HUF	Promoters' Group	46500	10	-	Bonus Issue	Nil
6.	Devarshi Rakeshbhai Swadia HUF	Promoters' Group	36270	10	-	Bonus Issue	Nil
7.	Master Ahalya Devarshi Swadia	Promoters' Group	21000	10	-	Bonus Issue	Nil
8.	Raju Birendrabhai Mishra	Public	82200	10	-	Bonus Issue	Nil
9.	Mrs. Shiljaben Nikul Patel	Promoters' Group	43515	10	-	Bonus Issue	Nil
10.	Master Shrividya Devarshi Swadia	Promoters' Group	4500	10	-	Bonus Issue	Nil
11.	Jignesh Babulal Shah HUF	Public	225000	10	-	Bonus Issue	Nil
12.	Mrs. Vaishali Jignesh Shah	Public	225000	10	-	Bonus Issue	Nil
<b>Total</b>			<b>3599985</b>	<b>10</b>	<b>-</b>		

**REVALUATION OF ASSETS DURING THE LAST FIVE (5) YEARS**

Our Company has not revalued its assets during last five years.

## SECTION VIII - ISSUE RELATED INFORMATION

### TERMS OF THE ISSUE

The Equity Shares being issued are subject to the provisions of the Companies Act, 2013, SEBI (ICDR) Regulations, 2009, our Memorandum and Articles of Association, the terms of this Draft Prospectus, the Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of this Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchange, the RBI, ROC and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Please note that in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015; all the applicants have to compulsorily apply through the ASBA Process.

Further vide the said circular, Registrar to the Issue and Depository Participants have also been authorized to collect the Application forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.

### RANKING OF EQUITY SHARES

The Equity Shares being issued shall be subject to the provisions of the Companies Act 2013, our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please see the section titled "Main Provisions of the Articles of Association of our Company" beginning on page no. 224 of this Draft Prospectus.

### MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013 and recommended by the Board of Directors and approved by the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividend, if declared, to our Shareholders as per the provisions of the Companies Act and our Articles of Association. Further Interim Dividend (if any, declared) will be approved by the Board of Directors.

### FACE VALUE AND ISSUE PRICE

The face value of the Equity Shares is ₹ 10/- each and the Issue Price is ₹ 25/- per Equity Share.

The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the section titled "Basis for Issue Price" beginning on page no. 65 of this Prospectus.

At any given point of time there shall be only one denomination for the Equity Shares.

### COMPLIANCE WITH SEBI (ICDR) REGULATIONS

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2009. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

### RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports and notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and

- such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013, the terms of the SEBI Listing Regulations, and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to the section titled “Main Provisions of Articles of Association” beginning on page no. 224 of this Draft Prospectus.

#### **MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT**

In terms of Section 29 of the Companies Act 2013, the Equity Shares shall be allotted only in dematerialized form. As per the existing SEBI (ICDR) Regulations, the trading of the Equity Shares shall only be in dematerialized form for all investors.

The trading of the Equity Shares will happen in the minimum contract size of 6,000 Equity Shares and the same may be modified by SME Platform of BSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Offer will be done in multiples of 6,000 Equity Share subject to a minimum allotment of 6,000 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

#### **MINIMUM NUMBER OF ALLOTTEES**

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and all the monies blocked by the SCSBs shall be unblocked within 6 Working days of closure of issue.

#### **JURISDICTION**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Ahmedabad.

**The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.**

**The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

#### **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 applicants, may nominate up to three persons, vide Multiple Nominations facility made available by CDSL and NSDL, to 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 in respect of Percentage assigned to each nominee at the time of nomination. 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 interest shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Articles of Association of the Company, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- (a) to register himself or herself as the holder of the Equity Shares; or
- (b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

#### PERIOD OF OPERATION OF SUBSCRIPTION LIST OF PUBLIC ISSUE

ISSUE OPENS ON		●	ISSUE CLOSES ON		●
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An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Offer Closing Date	●
Finalization of Basis of Allotment with BSE	●
Initiation of refunds /unblocking of funds from ASBA Account	●
Credit of Equity Shares to demat accounts of Allottees	●
Commencement of trading of the Equity Shares on BSE	●

**The above timetable is indicative and does not constitute any obligation on our Company. 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 BSE is taken within six Working Days from the Offer 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. On the Issue Closing Date, the Applications and any revision to the same shall be accepted between 10.00 a.m. and 5.00 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 Exchange. 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, not later than 5.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this Draft 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 issue, some Applications may not get uploaded due to lack of sufficient time. Such Applications that are not uploaded will not be considered for allocation under the Issue. Neither our Company nor the Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the Bid cum Application Form, for a particular Bidder, the Registrar to the Issue shall ask for rectified data.

#### MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten.

If our Company does not receive the 100% subscription of the offer through the Offer Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days, after our Company becomes liable to pay the amount, our Company shall pay interest as prescribed under Section 39(3) and 40 of the Companies Act, 2013.

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 6 working days of closure of issue.

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

#### **NO RESERVATION FOR EIGIBLE NRIS, FIIS REGISTERED WITH SEBI, VCFS REGISTERED WITH SEBI AND QFIS**

It is to be understood that there is no reservation for Eligible NRIs or FIIs registered with SEBI or VCFs or QFIs. Such Eligible NRIs, QFIs, FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

#### **AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS ISSUE.**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FIIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.*

#### **RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES**

Except for lock-in of the pre-Issue Equity Shares and Promoters' minimum contribution in the Issue as detailed in the chapter "Capital Structure" beginning on page no. 38 of this Draft Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details please refer to the section titled "Main Provisions of the Articles of Association" beginning on page no. 224 of this Draft Prospectus.

#### **OPTION TO RECEIVE EQUITY SHARES IN DEMATERIALIZED FORM**

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. Applicants will not have the option of getting Allotment of the Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provision of the Companies Act and the Depositories Act.

#### **MIGRATION TO MAIN BOARD**

Our Company may migrate to the main board of BSE 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 favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), we shall have to apply to BSE for listing our shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board; or



If the Paid up Capital of the company is more than ₹ 10 crores but below ₹ 25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favor 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, wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Platform of BSE for a minimum period of three years from the date of listing of shares offered through this Draft Prospectus. For further details of the agreement entered into between the Company, the Lead Manager and the Market Maker; please see “General Information – Details of the Market Making Arrangements for this Issue” on page no. 36 of this Draft Prospectus.

#### **ARRANGEMENTS FOR DISPOSAL OF ODD LOTS**

The trading of the equity shares will happen in the minimum contract size of 6,000 shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by SME Platform of BSE from time to time by giving prior notice to investors at large. 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.

#### **NEW FINANCIAL INSTRUMENTS**

The Issuer Company is not issuing any new financial instruments through this Issue.



## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106(M)(1) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post issue paid up capital is not more than ₹ 10 crores, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of BSE). For further details regarding the salient features and terms of such an issue, please refer chapter titled “Terms of Issue” and “Issue Procedure” on page no. 195 and 202 respectively of this Draft Prospectus.

Public issue of 18,00,000 equity shares of face value of ₹ 10/- each for cash at a price of ₹ 25/- per equity share including a share premium of ₹ 15/- per equity share (the “issue price”) aggregating to ₹ 450.00 Lakh (“the issue”) by our company.

Particulars	Net Issue to Public	Market Maker reservation portion
<b>Number of Equity Shares*</b>	17,04,000 Equity Shares	96,000 Equity Shares
<b>Percentage of Issue Size available for allocation</b>	94.67% of the Issue Size 25.82% of the Post Issue Paid up Capital	5.33% of the Issue Size 1.45% of the Post Issue Paid up Capital
<b>Basis of Allotment/ Allocation if respective category is oversubscribed</b>	Proportionate subject to minimum allotment of 6,000 Equity Shares and Further allotment in multiples of 6,000 Equity Shares each.  For further details please refer to the section titled “Issue Procedure – Basis of Allotment” on page no. 218 of this Prospectus.	Firm Allotment
<b>Mode of Application</b>	All the Applicants shall make the Application (Online or Physical) through ASBA Process Only.	Through ASBA mode Only.
<b>Minimum Application Size</b>	<b>For QIB and NII:</b> Such number of Equity Shares in multiples of 6,000 Equity Shares such that the Application Value exceeds ₹ 2,00,000  <b>For Retail Individuals:</b> 6,000 Equity Shares	96,000 Equity Shares
<b>Maximum Bid</b>	<b>For QIB and NII:</b> Such number of Equity Shares in multiples of 6,000 Equity Shares such that the Application Size does not exceed 17,04,000 Equity Shares subject to limit the investor has to adhere under the relevant laws and regulations applicable..  <b>For Retail Individuals:</b> 6,000 Equity Shares so that the Application Value does not exceed ₹ 2,00,000	96,000 Equity Shares
<b>Mode of Allotment</b>	Compulsorily in dematerialized mode	Compulsorily in dematerialized mode
<b>Trading Lot</b>	6,000 Equity Shares	6,000 Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2009.
<b>Terms of payment</b>	Entire Application Amount shall be payable at the time of submission of Application Form.	

\* 50% of the shares offered in the Net Issue to Public portion are reserved for applications whose value is below ₹ 2,00,000 and the balance 50 % of the shares are available for applications whose value is above ₹ 2,00,000.

### WITHDRAWAL OF THE ISSUE

In accordance with the SEBI ICDR Regulations, our Company, in consultation with Lead Manager, reserves the right not to proceed with this Issue at any time after the Issue Opening Date, but before our Board meeting for Allotment, without assigning reasons thereof. If our Company withdraws the Issue after the Issue Closing Date, we will give reason thereof

within two days by way of a public notice which shall be published in the same newspapers where the pre-Issue advertisements were published.

Further, the Stock Exchanges shall be informed promptly in this regard and the Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the ASBA Applicants within one Working Day from the date of receipt of such notification. In case our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh offer document with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which the Company shall apply for after Allotment. In terms of the SEBI Regulations, Non retail Applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

## **JURISDICTION**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities at Ahmedabad.

## **ISSUE PROGRAMME**

<b>ISSUE OPENS ON</b>	[●]
<b>ISSUE CLOSES ON</b>	[●]

## ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in Public Issue, prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (the “General Information Documents”) and including SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016, to be included in the prospectus under “Part B – General Information Document” of this section, highlighting the key rules, procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013, Companies Act, 1956, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, and the SEBI Regulations.

The General Information Documents to be included will be updated to reflect the enactments and regulations including the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document will also be available on the websites of the Stock Exchange and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and Lead Manager would not be able to include any amendment, modification or change in applicable law, which may occur after the date of Prospectus. Applicants are advised to make their independent investigations and ensure that their Application do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus and the Prospectus.

This section applies to all the Applicants, please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form.

### PART A

#### FIXED PRICE ISSUE PROCEDURE

The Issue is being made under Regulation 106(M)(1) of Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 through a Fixed Price Process.

Applicants are required to submit their Applications to the Application collecting intermediaries i.e. SCSB or Registered Brokers of Stock Exchanges or Registered Registrar to the Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI. In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non-Institutional Applicants and Retail Individual Applicants, the Company would have a right to reject the Applications only on technical grounds.

**Investors should note that Equity Shares will be allotted to successful Applicants in dematerialize form only. The Equity Shares on Allotment shall be traded only in the dematerialize segment of the Stock Exchange, as mandated by SEBI.**

#### AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS

The Memorandum containing the salient features of the Prospectus together with the Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the Lead Manager to the Issue, Registrar to the Issue as mentioned in the Application form. The application forms may also be downloaded from the website of BSE i.e. [www.bseindia.com](http://www.bseindia.com). Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking of funds that are available in the bank account specified in the Application Form used by ASBA applicants. Upon completing and submitting the Application Form for Applicants to the SCSB, the Applicant is deemed to have authorized our Company to make the necessary changes in the Prospectus and the ASBA as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the Applicant. Application forms submitted to the SCSBs should bear the stamp of respective intermediaries to whom the application form submitted. Application form submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application forms submitted by Applicants whose beneficiary account is inactive shall be rejected.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour of Application Form
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including Eligible NRIs, FII's, FVCIs etc. applying on a repatriation basis	Blue

**In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process.**

#### SUBMISSION AND ACCEPTANCE OF APPLICATION FORMS

Applicants are required to submit their applications only through any of the following Application Collecting Intermediaries:

- An SCSB, with whom the bank account to be blocked, is maintained
- A syndicate member (or sub-syndicate member)
- A stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ("broker")
- A depository participant ("DP") (Whose name is mentioned on the website of the stock exchange as eligible for this activity)
- A registrar to an issuer and share transfer agent ("RTA") (Whose name is mentioned on the website of the stock exchange as eligible for this activity)

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

<b>For Applications submitted by investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For Applications submitted by investors to intermediaries other than SCSBs:</b>	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Application are deemed to have authorised our Company to make the necessary changes in the prospectus, without prior or subsequent notice of such changes to the Applicants.

#### AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS

The Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, Lead Manager to the Issue, and Registrar to the Issue as mentioned in the application Form. The application forms may also be downloaded from the website of BSE i.e. [www.bseindia.com](http://www.bseindia.com).

#### WHO CAN APPLY?

- Indian nationals resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: "Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Applications

by HUFs would be considered at par with those from individuals;

- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) Mutual Funds registered with SEBI;
- e) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- f) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- g) FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional applicant's category;
- j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k) Foreign Venture Capital Investors registered with the SEBI;
- l) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- m) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- o) Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- p) Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- r) Insurance funds set up and managed by army, navy or air force of the Union of India;
- s) Multilateral and bilateral development financial institution;
- t) Eligible QFIs;
- u) Insurance funds set up and managed by army, navy or air force of the Union of India;
- v) Insurance funds set up and managed by the Department of Posts, India;
- w) Any other person eligible to applying in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

Applications not to be made by:

- |                                       |  |
|---------------------------------------|--|
| 1. Minors (except under guardianship) | 2. Partnership firms or their nominees |
| 3. Foreign Nationals (except NRIs)    | 4. Overseas Corporate Bodies           |

**As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-**

**resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case to case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI or prior approval from Government, as the case may be. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.**

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

#### **PARTICIPATION BY ASSOCIATES/AFFILIATES OF LEAD MANAGER**

The Lead Manager shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the Lead Manager may subscribe to Equity Shares in the Issue, either in the QIB Portion and Non-Institutional Portion where the allotment is on a proportionate basis.

#### **OPTION TO SUBSCRIBE TO THE ISSUE**

1. Our Company shall allot the specified securities in dematerialised form only. Investors opting for allotment in physical form may get the specified securities rematerialised subsequent to allotment.
2. The equity shares, on allotment, shall be traded on stock exchange in demat segment only.
3. A single application from any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines.

#### **APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRIS APPLYING ON NON-REPATRIATION**

Application must be made only in the names of individuals, limited companies or statutory corporations / institutions and not in the names of minors (other than minor having valid depository accounts as per demographic details provided by the depository), foreign nationals, non-residents (except for those applying on non-repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu Undivided Families (HUF), partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF.

Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE / FCNR accounts as well as NRO accounts.

An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public.

#### **APPLICATION BY MUTUAL FUNDS**

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any Company's paid up share capital carrying voting rights.

The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

## APPLICATIONS BY ELIGIBLE NRIS/FII'S ON REPATRIATION BASIS

Application Forms have been made available for Eligible NRIs at the Company's Registered Office and at the office of Lead Manager to the Issue.

Eligible NRI applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment. The Eligible NRIs who intend to make payment through Non Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians and should not use the form meant for the reserved category.

Under the Foreign Exchange Management Act, 1999 (FEMA) general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares for allotment to NRIs on repatriation basis.

Allotment of Equity Shares to Non Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in Equity Shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws.

The Company does not require approvals from FIPB or RBI for the Transfer of Equity Shares in the issue to eligible NRI's, FII's, Foreign Venture Capital Investors registered with SEBI and multilateral and bilateral development financial institutions.

***As per the current regulations, the following restrictions are applicable for investments by FPIs:***

1. Foreign portfolio investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized stock exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where 'infrastructure' is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-convertible debentures or bonds issued by Non-Banking Financial Companies categorized as 'Infrastructure Finance Companies'(IFCs) by the Reserve Bank of India; (l) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.
2. Where a foreign institutional investor or a sub account, prior to commencement of these regulations, holds equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after initial public offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment for the time being in force.
3. In respect of investments in the secondary market, the following additional conditions shall apply:
  - (a). A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;
  - (b). Nothing contained in clause (a) shall apply to:
    - i. Any transactions in derivatives on a recognized stock exchange;
    - ii. Short selling transactions in accordance with the framework specified by the Board;
    - iii. Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
    - iv. Any other transaction specified by the Board.
  - (c). No transaction on the stock exchange shall be carried forward;
  - (d). The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the Board; provided nothing contained in this clause shall apply to:



- i. transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;
- ii. sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- iii. sale of securities in response to an offer made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009;
- iv. Sale of securities, in accordance with the Securities and Exchange Board of India (Buy-back of securities) Regulations, 1998;
- v. divestment of securities in response to an offer by Indian Companies in accordance with Operative Guidelines for Disinvestment of Shares by Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;
- vi. Any bid for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;
- vii. Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- viii. Any other transaction specified by the Board.

(e). A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form:

Provided that any shares held in non-dematerialized form, before the commencement of these regulations, can be held in non-dematerialized form, if such shares cannot be dematerialized.

Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Depositories Act, 1996.

4. The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.
5. In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.
6. A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.

No foreign portfolio investor may issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:

- (a). Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority;
- (b). Such offshore derivative instruments are issued after compliance with 'know your client' norms:

Provided that those unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal in offshore derivatives instruments directly or indirectly:

Provided further that no Category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.

7. A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.
8. Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.

9. Any offshore derivative instruments issued under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be deemed to have been issued under the corresponding provisions of SEBI (Foreign Portfolio Investors) Regulations, 2014.
10. A FII or its subaccount which holds a valid certificate of registration shall, subject to payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as a foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.
11. A qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provisions of the SEBI (Foreign Portfolio Investors) Regulations, 2014, for a period of one year from the date of commencement of the aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.
12. The issue of Equity Shares to a single FII should not exceed 10% of our post Issue Paid up Capital of the Company. In respect of an FII investing in Equity Shares of our Company on behalf of its sub accounts, the investment on behalf of each sub account shall not exceed 10% of our total issued capital or 5% of our total issued capital in case such sub account is a foreign corporate or an individual.
13. In accordance with the foreign investment limits, the aggregate FII holding in our Company cannot exceed 24% of our total issued capital. However, this limit can be increased to the permitted sectoral cap/statutory limit, as applicable to our Company after obtaining approval of its board of Directors followed by the special resolution to that effect by its shareholders in their General Meeting. As on the date of filing the Prospectus, no such resolution has been recommended to the shareholders of the Company for adoption.
14. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of regulation 15A(1) of the Securities Exchange Board of India (Foreign Institutional Investors) Regulations 1995, as amended, an FII may issue, deal or hold, off shore derivative instruments such as participatory notes, equity linked notes or any other similar instruments against underlying securities listed or proposed to be listed in any stock exchange in India only in favour of those entities which are regulated by any relevant regulatory authorities in the countries of their incorporation or establishment subject to compliance of "Know Your Client" requirements. An FII shall also ensure that no further downstream issue or transfer of any instrument referred to hereinabove is made to any person other than a regulated entity.
15. In case of FII's in NRI/FII Portion, number of Equity Shares applied shall not exceed issue size.

#### **APPLICATION BY SEBI REGISTERED ALTERNATIVE INVESTMENT FUND (AIF), VENTURE CAPITAL FUNDS AND FOREIGN VENTURE CAPITAL INVESTORS**

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. As per the current regulations, the following restrictions are applicable for SEBI registered venture capital funds and foreign venture capital investors:

Accordingly, the holding by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund; a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign Venture Capital investor can invest only up to 33.33% of the funds available for investment by way of subscription to an Initial Public Offer.

The SEBI (Alternative Investment funds) Regulations, 2012 prescribes investment restrictions for various categories of AIF's.

The category I and II AIFs cannot invest more than 25% of the corpus in one investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A Venture capital fund registered as a category I AIF, as defined in the SEBI Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI Regulations shall continue to be regulated by the VCF Regulations.

#### **APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS**

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached

to the Application Form. Failing which, the Company reserves the right to reject any application, without assigning any reason thereof.

#### **APPLICATIONS BY INSURANCE COMPANIES**

In case of applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, the Company reserves the right to reject any application, without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended (The "IRDA Investment Regulations"), are broadly set forth below:

- a.) Equity shares of a Company: the least of 10% of the investee Company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- b.) The entire group of the investee Company: the least of 10% of the respective fund in case of a life insurer or general insurer or reinsurer or 10% of investment assets in case of a general insurer or reinsurer (25% in case of ULIPS); and
- c.) The industry sector in which the investee Company operates: the least of 10% of the insurer's total investment exposure to the industry sector (25% in case of ULIPS).

In addition, the IRDA partially amended the exposure limits applicable to investments in public limited companies in infrastructure and housing sectors i.e. December 26, 2008, providing, among other things, that the exposure of an insurer to an infrastructure Company may be increased to not more than 20%, provided that in case of equity investment, a dividend of not less than 4% including bonus should have been declared for at least five preceding years. This limit of 20% would be combined for debt and equity taken together, without sub ceilings.

Further, investments in equity including preference shares and the convertible part of debentures shall not exceed 50% of the exposure norms specified under the IRDA Investment Regulations.

#### **APPLICATION BY PROVIDENT FUNDS / PENSION FUNDS**

In case of applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 25 Crores, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, the Company reserves the right to reject any application, without assigning any reason thereof.

#### **APPLICATION UNDER POWER OF ATTORNEY**

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of ₹ 25 Crores (subject to applicable law) and pension funds with a minimum corpus of ₹ 25 Crores a certified copy of the power of attorney or the relevant Resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, the Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

- a.) In addition to the above, certain additional documents are required to be submitted by the following entities: With respect to applications by VCFs, FVCIs, FPIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- b.) With respect to applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged with the Application Form as applicable. Failing this, the Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- c.) With respect to applications made by provident funds with minimum corpus of ₹ 25 Crores (subject to applicable law) and pension funds with a minimum corpus of ₹ 25 Crores, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form . Failing this, the Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.

The Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that the Company and the lead manager may deem fit.

The Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of printing particulars on the refund order and mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

*The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.*

#### **ISSUE PROCEDURE FOR ASBA (APPLICATION SUPPORTED BY BLOCKED ACCOUNT) APPLICANTS**

**In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of the Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.**

Lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on [www.sebi.gov.in](http://www.sebi.gov.in). For details on designated branches of SCSB collecting the Application Form, please refer the above mentioned SEBI link.

#### **ASBA PROCESS**

A Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant ("ASBA Account") is maintained. The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Application, as the case may be.

The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Applicants to the ASBA Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Lead Manager.

ASBA Applicants are required to submit their Applications, either in physical or electronic mode. In case of application in physical mode, the ASBA Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB or Registered Brokers or Registered RTA's or DPs registered with SEBI. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

#### **HOW TO APPLY?**

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process.

#### **MODE OF PAYMENT**

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB.

Application Amount paid in cash, by money order or by postal order or by stock invest, or ASBA Application Form accompanied by cash, draft, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted.

After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application Form till the Designated Date.

On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the ASBA Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

The entire Application Amount, as per the Application Form submitted by the respective ASBA Applicants, would be required to be blocked in the respective ASBA Accounts until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Application, as the case may be.

### **UNBLOCKING OF ASBA ACCOUNT**

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Issue Account as per section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account.

However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case may be.

### **MAXIMUM AND MINIMUM APPLICATION SIZE**

The applications in this Issue, being a fixed price issue, will be categorized into two;

#### **a) For Retail Individual Applicants**

The Application must be for a minimum of 6,000 Equity Shares so as to ensure that the Application amount payable by the Applicant 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 6,000 Equity Shares thereafter. An Application cannot be submitted for more than the Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non Institutional Portion.

**Applicants are advised to ensure that any single Application form does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Prospectus.**

### **INFORMATION FOR THE APPLICANTS:**

- a.) The Company will file the Prospectus with the ROC at least 3 (three) days before the Issue Opening Date.
- b.) The Lead Manager will circulate copies of the Prospectus along with the Application Form to potential investors.
- c.) Any investor, being eligible to invest in the Equity Shares offered, who would like to obtain the Prospectus and/ or the Application Form can obtain the same from the Company's Registered Office or from the Registered Office of the

Lead Manager.

- d.) Applicants who are interested in subscribing to the Equity Shares should approach the Lead Manager or their authorized agent(s) to register their Applications.
- e.) Applications made in the name of Minors and/or their nominees shall not be accepted.

#### PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013, the Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one Gujarati newspaper with wide circulation.

#### SIGNING OF UNDERWRITING AGREEMENT

The issue is 100% Underwritten. Our Company has entered into an Underwriting Agreement with the Lead Manager on June 30, 2018.

#### FILING OF THE PROSPECTUS WITH THE ROC

The Company will file a copy of the Prospectus with the RoC in terms of Section 32 of Companies Act, 2013.

- a.) **Designated Date and Allotment of Equity Shares Designated Date:** On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.
- b.) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the designated stock exchange, the Registrar shall upload on its website. On the basis of approved basis of allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue.
- c.) Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been allotted Equity Shares in the Issue. The dispatch of allotment advice shall be deemed a valid, binding and irrevocable contract.
- d.) Issuer will make the allotment of the equity shares and initiate corporate action for credit of shares to the successful applicants Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

**Designated Date:** On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under Section 56 of the Companies Act, 2013 or other applicable provisions, if any.

#### INTEREST AND REFUNDS

#### COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 Working Days of the Issue Closing Date. The Registrar to the Issue may give instruction for credit to Equity Shares the beneficiary account with DPs, and dispatch the allotment Advise within 6 Working Days of the Issue Closing Date.

#### GROUNDS FOR REFUND

#### NON RECEIPT OF LISTING PERMISSION



An Issuer makes an Application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Draft Prospectus. The designated Stock Exchange may be as disclosed in the Draft Prospectus with which the Basis of Allotment may be finalised.

If the permission to deal in and official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all money received from the Applicants in pursuance of the Prospectus.

In the event that the listing of the Equity Shares does not occur in the manner described in this Draft Prospectus, the Lead Manager and Registrar to the Issue shall intimate Public Issue bank/Bankers to the Issue and Public Issue Bank/Bankers to the Issue shall transfer the funds from Public Issue account to Refund Account as per the written instruction from lead Manager and the Registrar for further payment to the beneficiary bidders.

If such money is not repaid within eight days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate as disclosed in the Draft Prospectus.

#### MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per section 39 of the Companies Act, 2013, if the “Stated Minimum Amount” has not been subscribed and the sum payable on application is not received within a period of thirty days from the date of issue of the prospectus, or such other period as may be specified by the Securities and Exchange Board, the amount received under sub-section (1) shall be returned within such time and manner as may be prescribed under that section. If the Issuer does not received the subscription of 100% of the Issue through this offer document including devolvement of underwriters within Sixty Days from the date of closure of the Issue, the Issuer shall Forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer become liable to pay the amount, the Issuer shall pay interest prescribed under section 39 of the Companies act, 2013.

#### MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of provisions Allottees to whom Equity Shares may be allotted may not be less than 50 (Fifty), failing which the entire application monies may be refunded forthwith.

#### MODE OF REFUND

#### IN CASE OF ASBA APPLICATION

Within 6 working days of the Issue Closing Date, the Registrar to the Issue may give instruction to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application and also for any excess amount blocked on Application.

#### MODE OF MAKING REFUND FOR ASBA APPLICANTS

In case of ASBA Application, the registrar of the issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA applications or in the event of withdrawal or failure of the Issue.

#### INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND:

The Issuer may pay interest at the Rate of 15% per annum to Applicants if the funds are not unblocked within the 6 Working days of the Issue Closing Date.

1. **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Lead Manager or the Registrar to the Issue shall send to the Bankers to the Issue a list of their Applicants who have been allocated/Allotted Equity Shares in this Issue.
2. Pursuant to confirmation of corporate actions with respect to Allotment of Equity Shares, the Registrar to the Issue will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.
3. Approval of the Basis of Allotment by the Designated Stock Exchange. As described above shall be deemed a valid, binding and irrevocable contract for the Applicant.

#### GENERAL INSTRUCTIONS



**Do's:**

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about Depository Participant and Beneficiary Account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the Demographic Details (as defined herein below) are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.
- Ensure that Applications submitted by any person resident outside India is in compliance with applicable foreign and Indian laws
- All Applicants should submit their application through ASBA process only.

**Don'ts:**

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price Different from the Price Mentioned herein or in the Application Form
- Do not apply on another Application Form after you have submitted an Application to the Bankers of the Issue.
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
- Do not send Application Forms by post; instead submit the same to the Selected Branches / Offices of the Banker to the Issue.
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/ or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.

**INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM**

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Application forms submitted to the SCSBs should bear the stamp of respective intermediaries to whom the application form submitted. Application form submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application forms submitted by Applicants whose beneficiary account is inactive shall be rejected. SEBI, vide Circular No. CIR/CFD/14/2012 dated October 4, 2012 has introduced an additional mechanism for investors to submit application forms in public issues using the stock broker ("broker") network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker's Centre is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com).

**APPLICANT'S DEPOSITORY ACCOUNT AND BANK DETAILS**

*Please note that, providing bank account details in the space provided in the Application Form is mandatory and applications that do not contain such details are liable to be rejected.*

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Bank Account details would be used for giving refunds to the Applicants. Hence, Applicants are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at the Applicants' sole risk and neither the Lead Manager nor the Registrar to the Issue or the Escrow Collection Banks or the SCSB nor the Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form. These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue. By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

**PAYMENT BY STOCK INVEST**

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003-04 dated November 5, 2003; the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

## **OTHER INSTRUCTIONS**

### **JOINT APPLICATIONS IN THE CASE OF INDIVIDUALS**

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

### **MULTIPLE APPLICATIONS**

An Applicant should submit only one Application (and not more than one). Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- I. All applications are electronically strung on first name, address (1<sup>st</sup> line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications
- II. Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- III. Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 (Twenty) valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of "know your client" norms by the depositories. The Company reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application either in physical or electronic mode, an ASBA Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB. Submission of a second Application in such manner will be deemed a multiple Application and would be rejected. More than one ASBA Applicant may apply for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Application Forms with respect to any single ASBA Account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple applications and are liable to be rejected. The Company, in consultation with the Lead Manager reserves the right to reject, in its absolute discretion, all or any multiple applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Issue to detect multiple applications is given below:

1. All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII sub-accounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.
2. For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

## PERMANENT ACCOUNT NUMBER OR PAN

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number (“PAN”) to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. Applications without the PAN will be considered incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the General Index Registration (“GIR”) number instead of the PAN, as the Application is liable to be rejected on this ground.

**Our Company/ Registrar to the Issue/ Lead Manager can, however, accept the Application(s) in which PAN is wrongly entered into by ASBA SCSB's in the ASBA system, without any fault on the part of Applicant.**

## RIGHT TO REJECT APPLICATIONS

In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

## GROUND FOR REJECTIONS

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid does not tally with the amount payable for the highest value of Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of 6,000;
- Category not ticked;
- Multiple Applications as defined in the Draft Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulations or “qualified institutional buyers” as defined in Rule 144A under the Securities Act;
- Applications not duly signed;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications by any person that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of ₹ 2,00,000, received after 3.00 pm on the Issue Closing Date;
- Applications not containing the details of Bank Account and/or Depositories Account.

## EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL OR CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- c. a tripartite agreement dated July 23, 2018 with NSDL, our Company and Registrar to the Issue;
- d. a tripartite agreement dated July 19, 2018 with CDSL, our Company and Registrar to the Issue;

The Company's shares bear an ISIN: INE01A501019

- a) An applicant applying for Equity Shares in demat form must have at least one beneficiary account with the Depository Participants of either NSDL or CDSL prior to making the application.
- b) The applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's Identification number) appearing in the Application Form or Revision Form.
- c) Equity Shares allotted to a successful applicant will be credited in electronic form directly to the Applicant's beneficiary account (with the Depository Participant).
- d) Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- e) If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- f) The Applicant is responsible for the correctness of his or her demographic details given in the Application Form vis-à-vis those with their Depository Participant.
- g) It may be noted that Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange platform where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- h) The trading of the Equity Shares of our Company would be only in dematerialized form.

## COMMUNICATIONS

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted and a copy of the acknowledgement slip.

**Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.**

## DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

The Company shall ensure the dispatch of Allotment advice, instructions to SCSSBs and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within one working day of the date of Allotment of Equity Shares.

The Company shall use best efforts that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE where the Equity Shares are proposed to be listed are taken within 6 (six) working days of closure of the issue.

## IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of section 38(1) of the Companies Act, 2013 which is reproduced below:

- a) **'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**
- b) **makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or**
- c) **Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447 of Companies Act, 2013 and shall be treated as Fraud.**

*Section 447 of the Companies Act, 2013, is reproduced as below:*

*Without prejudice to any liability including repayment of any debt under this Act or any other law for the time being in force, any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud:*

*Provided that where the fraud in question involves public interest, the term of imprisonment shall not be less than three years.*

*Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to twenty lakh rupees or with both.*

## **BASIS OF ALLOTMENT**

Allotment will be made in consultation with BSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
3. For applications where the proportionate allotment works out to less than 6,000 equity shares the allotment will be made as follows:
  - a) Each successful applicant shall be allotted 6,000 equity shares; and
  - b) The successful applicants out of the total applicants for that category shall be determined by the drawal of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of 6,000 equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 6,000 equity shares subject to a minimum allotment of 6,000 equity shares.
5. If the Shares allocated on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares.
6. The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below:
  - a) A minimum of 50% of the net offer of shares to the Public shall initially be made available for allotment to retail individual investors as the case may be.
  - b) The balance net offer of shares to the public shall be made available for allotment to
    - (i). individual applicants other than retails individual investors and
    - (ii). other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
  - c) The unsubscribed portion of the net to any one of the categories specified in (i) or (ii) shall/may be made available for allocation to applicants in the other category, if so required.

Explanation: If the retail individual investor is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.

Please note that the Allotment to each Retail Individual Investor shall not be less than the minimum application lot, subject to availability of Equity Shares in the Retail portion. The remaining available Equity Shares, if any in Retail portion shall be allotted on a proportionate basis to Retail individual Investor in the manner in this para titled “Basis of Allotment” on page no. 218 of this Draft Prospectus.

“Retail Individual Investor” means an investor who applies for shares of value of not more than ₹ 2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with the SME Platform of BSE.

#### **BASIS OF ALLOTMENT IN THE EVENT OF UNDER SUBSCRIPTION**

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100% of the Issue size as specified in page no. 213 shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange.

The Executive Director/Managing Director of the SME Platform of BSE – the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2009.

**As per the RBI regulations, OCBs are not permitted to participate in the Issue.**

**There is no reservation for Non Residents, NRIs, FPIs and foreign venture capital funds and all Non Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.**

#### **UNDERTAKING BY OUR COMPANY**

Our Company undertakes the following:

1. that the complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 (Six) working days of closure of the Issue;
3. that funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by us;
4. that the instruction for electronic credit of Equity Shares/ refund orders/intimation about the refund to non-resident Indians shall be completed within specified time; and
5. that no further issue of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or until the application monies are refunded on account of non-listing, under subscription etc.
6. that Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

#### **UTILIZATION OF ISSUE PROCEEDS**

The Board of Directors certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
- 2) Details of all monies utilized out of the Issue shall be disclosed and continue to be disclosed till any part of the issue proceeds remains unutilized under an appropriate separate head in the Company’s balance sheet indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under an appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested;
- 4) Our Company shall comply with the requirements of section SEBI (Listing Obligations and Disclosure

Requirements) Regulations, 2015 and pursuant to section 177 of the Company's Act, 2013 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue respectively;

- 5) Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

**PART B**

**[•]**



## 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 Foreign Exchange Management Act, 1999 (“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 the Reserve Bank of India (“RBI”) and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”).

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“FDI”) through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”), has issued consolidated FDI Policy Circular of 2017 (“FDI Policy 2017”), which is effective from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular.

The Reserve Bank of India (“RBI”) also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

Under the current FDI Policy of 2017, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present 100 % foreign direct investment through automatic route is permitted in the sector in which our Company operates. Therefore applicable foreign investment up to 100% is permitted in our company under automatic route.

In case of investment in sectors through Government Route approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2017 has to be obtained by the Company.

The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP/RBI, from time to time. Such conditions include: (i) where the transfer of shares requires the prior approval of the Government as per the extant FDI policy provided that: a) the requisite approval of the Government has been obtained; and b) the transfer of shares adheres with the pricing guidelines and documentation requirements as specified by the Reserve Bank of India from time to time.; (ii) where the transfer of shares attract SEBI (SAST) Regulations subject to the adherence with the pricing guidelines and documentation requirements as specified by Reserve Bank of India from time to time.; (iii) where the transfer of shares does not meet the pricing guidelines under the FEMA, 1999 provided that: a) The resultant FDI is in compliance with the extant FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, etc.), reporting requirements, documentation etc.; b) The pricing for the transaction is compliant with the specific/explicit, extant and relevant SEBI regulations/guidelines (such as IPO, Book building, block deals, delisting, exit, open offer/substantial acquisition/SEBI SAST); and Chartered Accountants Certificate to the effect that compliance with the relevant SEBI regulations/guidelines as indicated above is attached to the form FC-TRS to be filed with the AD bank and iv) where the investee company is in the financial sector provided that: a) Any ‘fit and proper/due diligence’ requirements as regards the non-resident investor as stipulated by the respective financial sector regulator, from time to time, have been complied with; and b) The FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, pricing, etc.), reporting requirements, documentation etc., are complied with. As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of Our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

### **Investment conditions/restrictions for overseas entities**

Under the current FDI Policy 2017, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect,

regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Schedule 1, 2, 3, 6, 7, 8, 9, and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations, 2017. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment up to aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

#### **I. Investment by FPIs under Portfolio Investment Scheme (PIS):**

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10 % of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24 % of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10 percent and 24 percent will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

#### **II. Investment by NRI or OCI on repatriation basis:**

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as “Capital Instruments”) of a listed Indian company on a recognised stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2017 i.e. the total holding by any individual NRI or OCI shall not exceed 5 percent of the total paid-up equity capital on a fully diluted basis or should not exceed 5 percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10 percent of the total paid-up equity capital on a fully diluted basis or shall not exceed 10 percent of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10 percent may be raised to 24 percent if a special resolution to that effect is passed by the general body of the Indian company.

#### **III. Investment by NRI or OCI on non-repatriation basis**

As per current FDI Policy 2017, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations – Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non-repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (“US Securities Act”) or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of “US Persons” as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.**

**Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.**

**Further, no offer to the public (as defined under Directive 2003/71/EC, together with any amendments) and implementing measures thereto, (the “Prospectus Directive”) has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.**

**Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other**

**jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Draft Prospectus.**

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company 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 ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

**SECTION IX – DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION**

**MAIN PROVISIONS OF ARTICLES OF ASSOCIATION**

Title of Articles	Article Number	Content
<b>CONSTITUTION OF THE COMPANY</b>	1.	The Regulations contained in Table 'F' in the First Schedule to the Companies Act, 2013 shall not apply to the Company except in so far as they are embodied in the following Articles, which shall be the regulations for the Management of the Company.
<b>INTERPRETATION CLAUSE</b>	2.	<p>The marginal notes hereto shall not affect the construction hereof. In these presents, the following words and expressions shall have the following meanings unless excluded by the subject or context:</p> <p>a) 'The Act' or 'The Companies Act' shall mean 'The Companies Act, 2013, its rules and any statutory modifications or reenactments thereof.'</p> <p>b) 'The Board' or 'The Board of Directors' means a meeting of the Directors duly called and constituted or as the case may be, the Directors assembled at a Board, or the requisite number of Directors entitled to pass a circular resolution in accordance with these Articles.</p> <p>c) 'The Company' or 'This Company' means Ranjeet Mechatronics Limited.</p> <p>d) 'Directors' means the Directors for the time being of the Company.</p> <p>e) 'Writing' includes printing, lithograph, typewriting and any other usual substitutes for writing.</p> <p>f) 'Members' means members of the Company holding a share or shares of any class.</p> <p>g) 'Month' shall mean a calendar month.</p> <p>h) 'Paid-up' shall include 'credited as fully paid-up'.</p> <p>i) 'Person' shall include any corporation as well as individual.</p> <p>j) 'These presents' or 'Regulations' shall mean these Articles of Association as now framed or altered from time to time and shall include the Memorandum where the context so requires.</p> <p>k) 'Section' or 'Sec.' means Section of the Act.</p> <p>l) Words importing the masculine gender shall include the feminine gender.</p> <p>m) Except where the context otherwise requires, words importing the singular shall include the plural and the words importing the plural shall include the singular.</p> <p>n) 'Special Resolution' means special resolution as defined by Section 114 in the Act.</p> <p>o) 'The Office' means the Registered Office for the time being of the Company.</p> <p>p) 'The Register' means the Register of Members to be kept pursuant to Section 88 of the Companies Act, 2013.</p> <p>q) 'Proxy' includes Attorney duly constituted under a Power of Attorney.</p>
	3.	Except as provided by Section 67, no part of funds of the Company shall be employed in the purchase of the shares of the Company, and the Company shall not directly or indirectly and whether by shares, or loans, give, guarantee, the provision of security or otherwise any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares in the Company.
	4.	The Authorized Share Capital of the Company shall be as prescribed in Clause V of the Memorandum of Association of the Company.
	5.	Subject to the provisions of the Act and these Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Board who may allot the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or at a discount (subject to compliance with the provisions of the Act) and at such terms as they may, from time to time, think fit and proper and with the sanction of the Company in General Meeting by a Special Resolution give to any person the option to call for or be allotted shares of any class of the Company, either at par, at a premium or subject as aforesaid at a discount, such option being

Title of Articles	Article Number	Content
		<p>exercisable at such times and for such consideration as the Board thinks fit unless the Company in General Meeting, by a Special Resolution, otherwise decides. Any offer of further shares shall be deemed to include a right, exercisable by the person to whom the shares are offered, to renounce the shares offered to him in favour of any other person.</p> <p>Subject to the provisions of the Act, any redeemable Preference Share, including Cumulative Convertible Preference Share may, with the sanction of an ordinary resolution be issued on the terms that they are, or at the option of the Company are liable to be redeemed or converted on such terms and in such manner as the Company, before the issue of the shares may, by special resolution, determine.</p>
	6.	<p>The Company in General Meeting, by a Special Resolution, may determine that any share (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether members or holders of debentures of the Company or not), giving them the option to call or be allotted shares of any class of the Company either at a premium or at par or at a discount, (subject to compliance with the provisions of Section 53) such option being exercisable at such times and for such consideration as may be directed by a Special Resolution at a General Meeting of the Company or in General Meeting and may take any other provisions whatsoever for the issue, allotment or disposal of any shares.</p>
	7.	<p>The Board may at any time increase the subscribed capital of the Company by issue of new shares out of the unissued part of the Share Capital in the original or subsequently created capital, but subject to Section 62 of the Act, and subject to the following conditions namely:</p> <p>I. (a) Such further shares shall be offered to the persons who, at the date of the offer, are holder of the equity shares of the Company in proportion, as nearly as circumstances admit, to the capital paid up on those shares at that date.</p> <p>(b) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than twenty-one days, from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.</p> <p>(c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in clause (b) shall contain a statement of this right.</p> <p>(d) After the expiry of the time specified in the notice aforesaid, or in respect of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner as it thinks most beneficial to the Company.</p> <p>II. The Directors may, with the sanction of the Company in General Meeting by means of a special resolution, offer and allot shares to any person at their discretion by following the provisions of section 62 of the Act and other applicable provisions, if any.</p> <p>III. Nothing in this Article shall apply to the increase in the subscribed capital of the Company which has been approved by:</p> <p>(a) A Special Resolution passed by the Company in General Meeting before the issue of the debentures or the raising of the loans, and</p> <p>(b) The Central Government before the issue of the debentures or raising of the loans or is in conformity with the rules, if any, made by that Government in this behalf.</p>
	8.	<p>1. The rights attached to each class of shares (unless otherwise provided by the terms of the issue of the shares of the class) may, subject to the provisions of Section 48 of the Act, be varied with the consent in writing of the holders of not less than three fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a General Meeting of the holders of the shares of that class.</p> <p>2. To every such separate General Meeting, the provisions of these Articles relating to General Meeting shall Mutatis Mutandis apply, but so that the</p>

Title of Articles	Article Number	Content
		necessary quorum shall be two persons at least holding or representing by proxy one-tenth of the issued shares of that class.
<b>Issue of further shares with disproportionate rights</b>	9.	Subject to the provisions of the Act, the rights conferred upon the holders of the shares of any class issued with preferred or other rights or not, unless otherwise expressly provided for by the terms of the issue of shares of that class, be deemed to be varied by the creation of further shares ranking paripassu therewith.
<b>Not to issue shares with disproportionate rights</b>	10.	The Company shall not issue any shares (not being Preference Shares) which carry voting rights or rights in the Company as to dividend, capital or otherwise which are disproportionate to the rights attached to the holders of other shares not being Preference Shares.
<b>Power to pay commission</b>	11.	The Company may, at any time, pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any share, debenture or debenture stock of the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for shares, such commission in respect of shares shall be paid or payable out of the capital, the statutory conditions and requirements shall be observed and complied with and the amount or rate of commission shall not exceed five percent of the price at which the shares are issued and in the case of debentures, the rate of commission shall not exceed, two and half percent of the price at which the debentures are issued. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also, on any issue of shares, pay such brokerage as may be lawful.
<b>Liability of joint holders of shares</b>	12.	The joint holders of a share or shares shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such share or shares.
<b>Trust not recognised</b>	13.	Save as otherwise provided by these Articles, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction or as by a statute required, be bound to recognise any equitable, contingent, future or partial interest lien, pledge or charge in any share or (except only by these presents otherwise provided for) any other right in respect of any share except an absolute right to the entirety thereof in the registered holder.
<b>Issue other than for cash</b>	14.	<p>a) The Board may issue and allot shares in the capital of the Company as payment or part payment for any property sold or goods transferred or machinery or appliances supplied or for services rendered or to be rendered to the Company in or about the formation or promotion of the Company or the acquisition and or conduct of its business and shares may be so allotted as fully paid-up shares, and if so issued, shall be deemed to be fully paid-up shares.</p> <p>b) As regards all allotments, from time to time made, the Board shall duly comply with Section 39 of the Act.</p>
<b>Acceptance of shares</b>	15.	An application signed by or on behalf of the applicant for shares in the Company, followed by an allotment of any share therein, shall be acceptance of the shares within the meaning of these Articles; and every person who thus or otherwise accepts any share and whose name is on the Register shall, for the purpose of these Articles, be a shareholder.
<b>Member' right to share Certificates</b>	16.	<p>1. Every person whose name is entered as a member in the Register shall be entitled to receive without payment:</p> <p>a) One certificate for all his shares; or</p> <p>b) Share certificate shall be issued in marketable lots, where the share certificates are issued either for more or less than the marketable lots, sub-division/consolidation into marketable lots shall be done free of charge.</p> <p>2. The Company shall, within two months after the allotment and within fifteen days after application for registration of the transfer of any share or debenture, complete and have it ready for delivery; the share certificates</p>

Title of Articles	Article Number	Content
		<p>for all the shares and debentures so allotted or transferred unless the conditions of issue of the said shares otherwise provide.</p> <p>3. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.</p> <p>4. The certificate of title to shares and duplicates thereof when necessary shall be issued under the seal of the Company and signed by two Directors and the Secretary or authorised official(s) of the Company.</p>
<b>One Certificate for joint holders</b>	17.	In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate for the same share or shares and the delivery of a certificate for the share or shares to one of several joint holders shall be sufficient delivery to all such holders. Subject as aforesaid, where more than one share is so held, the joint holders shall be entitled to apply jointly for the issue of several certificates in accordance with Article 20 below.
<b>Renewal of Certificate</b>	18.	If a certificate be worn out, defaced, destroyed, or lost or if there is no further space on the back thereof for endorsement of transfer, it shall, if requested, be replaced by a new certificate without any fee, provided however that such new certificate shall not be given except upon delivery of the worn out or defaced or used up certificate, for the purpose of cancellation, or upon proof of destruction or loss, on such terms as to evidence, advertisement and indemnity and the payment of out of pocket expenses as the Board may require in the case of the certificate having been destroyed or lost. Any renewed certificate shall be marked as such in accordance with the provisions of the act in force.
<b>No fee for Renewal of Certificate</b>	19.	For every certificate issued under the last preceding Article, no fee shall be charged by the Company.
<b>Splitting and consolidation of Share Certificate</b>	20.	<p>The shares of the Company will be split up/consolidated in the following circumstances:</p> <p>(i). At the request of the member/s for split up of shares in marketable lot.</p> <p>(ii). At the request of the member/s for consolidation of fraction shares into marketable lot.</p>
<b>Directors may issue new Certificate(s)</b>	21.	Where any share under the powers in that behalf herein contained are sold by the Directors and the certificate thereof has not been delivered up to the Company by the former holder of the said shares, the Directors may issue a new certificate for such shares distinguishing it in such manner as they think fit from the certificate not so delivered up.
<b>Person by whom installments are payable</b>	22.	If, by the conditions of allotment of any share, the whole or part of the amount or issue price thereof shall be payable by installments, every such installment, shall, when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative or representatives, if any.
<b>LIEN Company's lien on shares</b>	23.	The Company shall have first and paramount lien upon all shares other than fully paid-up shares registered in the name of any member, either or jointly with any other person, and upon the proceeds or sale thereof for all moneys called or payable at a fixed time in respect of such shares and such lien shall extend to all dividends from time to time declared in respect of such shares. But the Directors, at any time, may declare any share to be exempt, wholly or partially from the provisions of this Article. Unless otherwise agreed, the registration of transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares.
<b>As to enforcing lien by sale</b>	24.	For the purpose of enforcing such lien, the Board of Directors may sell the shares subject thereto in such manner as it thinks fit, but no sale shall be made until the expiration of 14 days after a notice in writing stating and demanding payment of such amount in respect of which the lien exists has been given to the registered holders of the shares for the time being or to the person entitled to the shares by reason of the death of insolvency of the register holder.
<b>Authority to transfer</b>	25.	a) To give effect to such sale, the Board of Directors may authorize any person to transfer the shares sold to the purchaser thereof and the purchaser shall be registered as the holder of the shares comprised in any such transfer.



Title of Articles	Article Number	Content
		b) b. The purchaser shall not be bound to see the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.
<b>Application of proceeds of sale</b>	26.	The net proceeds of any such sale shall be applied in or towards satisfaction of the said moneys due from the member and the balance, if any, shall be paid to him or the person, if any, entitled by transmission to the shares on the date of sale.
<b>CALLS ON SHARES Calls</b>	27.	Subject to the provisions of Section 49 of the Act, the Board of Directors may, from time to time, make such calls as it thinks fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times, and the member shall pay the amount of every call so made on him to the person and at the time and place appointed by the Board of Directors.
<b>When call deemed to have been made</b>	28.	A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed. The Board of Directors making a call may by resolution determine that the call shall be deemed to be made on a date subsequent to the date of the resolution, and in the absence of such a provision, a call shall be deemed to have been made on the same date as that of the resolution of the Board of Directors making such calls.
<b>Length of Notice of call</b>	29.	Not less than thirty day's notice of any call shall be given specifying the time and place of payment provided that before the time for payment of such call, the Directors may, by notice in writing to the members, extend the time for payment thereof.
<b>Sum payable in fixed installments to be deemed calls</b>	30.	If by the terms of issue of any share or otherwise, any amount is made payable at any fixed times, or by installments at fixed time, whether on account of the share or by way of premium, every such amount or installment shall be payable as if it were a call duly made by the Directors, on which due notice had been given, and all the provisions herein contained in respect of calls shall relate and apply to such amount or installment accordingly.
<b>When interest on call or installment payable</b>	31.	If the sum payable in respect of any call or, installment be not paid on or before the day appointed for payment thereof, the holder for the time being of the share in respect of which the call shall have been made or the installment shall fall due, shall pay interest for the same at the rate of 12 percent per annum, from the day appointed for the payment thereof to the time of the actual payment or at such lower rate as the Directors may determine. The Board of Directors shall also be at liberty to waive payment of that interest wholly or in part.
<b>Sums payable at fixed times to be treated as calls</b>	32.	The provisions of these Articles as to payment of interest shall apply in the case of non-payment of any such sum which by the terms of issue of a share, become payable at a fixed time, whether on account of the amount of the share or by way of premium, as if the same had become payable by virtue of a call duly made and notified.
<b>Payment of call in advance</b>	33.	The Board of Directors, may, if it thinks fit, receive from any member willing to advance all of or any part of the moneys uncalled and unpaid upon any shares held by him and upon all or any part of the moneys so advance may (until the same would, but for such advance become presently payable) pay interest at such rate as the Board of Directors may decide but shall not in respect of such advances confer a right to the dividend or participate in profits.
<b>Partial payment not to preclude forfeiture</b>	34.	Neither a judgment nor a decree in favor of the Company for calls or other moneys due in respect of any share nor any part payment or satisfaction there under, nor the receipt by the Company of a portion of any money which shall from, time to time, be due from any member in respect of any share, either by way of principal or interest nor any indulgency granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as herein after provided.
<b>FORFEITURE OF SHARES</b>	35.	If a member fails to pay any call or installment of a call on the day appointed for the payment not paid thereof, the Board of Directors may during such time as any part of such call or installment remains unpaid serve a notice on him requiring payment of so much of the call or installment as is unpaid, together

Title of Articles	Article Number	Content
<b>If call or installment not paid, notice may be given</b>		with any interest, which may have accrued. The Board may accept in the name and for the benefit of the Company and upon such terms and conditions as may be agreed upon, the surrender of any share liable to forfeiture and so far as the law permits of any other share.
<b>Evidence action by Company against shareholders</b>	36.	On the trial or hearing of any action or suit brought by the Company against any shareholder or his representative to recover any debt or money claimed to be due to the Company in respect of his share, it shall be sufficient to prove that the name of the defendant is or was, when the claim arose, on the Register of shareholders of the Company as a holder, or one of the holders of the number of shares in respect of which such claim is made, and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Directors who made any call nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt.
<b>Form of Notice</b>	37.	The notice shall name a further day (not earlier than the expiration 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 shall state that, in the event of non-payment on or before the day appointed, the shares in respect of which the call was made will be liable to be forfeited.
<b>If notice not complied with, shares may be forfeited</b>	38.	If the requirements of any such notice as, aforementioned 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. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.
<b>Notice after forfeiture</b>	39.	When any share shall have been so forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture shall not be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.
<b>Boards' right to dispose of forfeited shares or cancellation of forfeiture</b>	40.	A forfeited or surrendered share may be sold or otherwise disposed off on such terms and in such manner as the Board may think fit, and at any time before such a sale or disposal, the forfeiture may be cancelled on such terms as the Board may think fit.
<b>Liability after forfeiture</b>	41.	A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall, notwithstanding such forfeiture, remain liable to pay and shall forthwith pay the Company all moneys, which at the date of forfeiture is payable by him to the Company in respect of the share, whether such claim be barred by limitation on the date of the forfeiture or not, but his liability shall cease if and when the Company received payment in full of all such moneys due in respect of the shares.
<b>Effect of forfeiture</b>	42.	The forfeiture of a share shall involve in the extinction of all interest in and also of all claims and demands against the Company in respect of the shares and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved.
<b>Evidence of forfeiture</b>	43.	A duly verified declaration in writing that the declarant is a Director 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, and that declaration and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposal thereof, shall constitute a good title to the share and the person to whom the share is sold or disposed of shall be registered as the holder of the share and 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.
<b>Non-payment of sums payable at fixed times</b>	44.	The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which by terms of issue of a share, becomes payable

Title of Articles	Article Number	Content
		at a fixed time, whether, on account of the amount of the share or by way of premium or otherwise as if the same had been payable by virtue of a call duly made and notified.
<b>Validity of such sales</b>	45.	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers herein before given, the Directors may cause the purchaser's name to be entered in the register in respect of the shares sold and may issue fresh certificate in the name of such a purchaser. The purchaser shall not be bound to see to the regularity of the proceedings, nor to the application of the purchase money and after his name has been entered in the register in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.
<b>TRANSFER AND TRANSMISSION OF SHARES</b>  <b>Transfer</b>	46.	<ul style="list-style-type: none"> <li>a) The instrument of transfer of any share in the Company shall be executed both by the transferor and the transferee and the transferor shall be deemed to remain holder of the shares until the name of the transferee is entered in the register of members in respect thereof.</li> <li>b) The Board shall not register any transfer of shares unless a proper instrument of transfer duly stamped and executed by the transferor and the transferee has been delivered to the Company along with the certificate and such other evidence as the Company may require to prove the title of the transferor or his right to transfer the shares.</li> <li>c) Provided that where it is proved to the satisfaction of the Board that an instrument of transfer signed by the transferor and the transferee has been lost, the Company may, if the Board thinks fit, on an application on such terms in writing made by the transferee and bearing the stamp required for an instrument of transfer, register the transfer on such terms as to indemnity as the Board may think fit.</li> <li>d) An application for the registration of the transfer of any share or shares may be made either by the transferor or the transferee, provided that where such application is made by the transferor, no registration shall, in the case of partly paid shares, be effected unless the Company gives notice of the application to the transferee. The Company shall, unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the register the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.</li> <li>e) For the purpose of Sub-clause (c), notice to the transferee shall be deemed to have been duly given if dispatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be delivered in the ordinary course of post.</li> <li>f) Nothing in Sub-clause (d) shall prejudice any power of the Board to register as a shareholder any person to whom the right to any share has been transmitted by operation of law.</li> </ul>
<b>Form of transfer</b>	47.	Shares in the Company shall be transferred by an instrument in writing in such common form as specified in Section 56 of the Companies Act.
<b>Board's right to refuse to register</b>	48.	<p>The Board, may, at its absolute discretion and without assigning any reason, decline to register</p> <ul style="list-style-type: none"> <li>1. The transfer of any share, whether fully paid or not, to a person of whom it do not approve or</li> <li>2. Any transfer or transmission of shares on which the Company has a lien</li> </ul> <ul style="list-style-type: none"> <li>a. Provided that registration of any 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 except a lien on the shares.</li> <li>b. If the Board refuses to register any transfer or transmission of right, it shall, within fifteen days from the date of which the instrument or transfer of the intimation of such transmission was delivered to the Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission as the case may be.</li> </ul>

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		<p>c. In case of such refusal by the Board, the decision of the Board shall be subject to the right of appeal conferred by Section 58.</p> <p>d. The provisions of this clause shall apply to transfers of stock also.</p>
<p><b>Further right of Board of Directors to refuse to register</b></p>	<p>49.</p>	<p>a. The Board may, at its discretion, decline to recognise or accept instrument of transfer of shares unless the instrument of transfer is in respect of only one class of shares.</p> <p>b. No fee shall be charged by the Company for registration of transfers or for effecting transmission on shares on the death of any member or for registering any letters of probate, letters of administration and similar other documents.</p> <p>c. Notwithstanding anything contained in Sub-articles (b) and (c) of Article 46, the Board may not accept applications for sub-division or consolidation of shares into denominations of less than hundred (100) except when such a sub-division or consolidation is required to be made to comply with a statutory order or an order of a competent Court of Law or a request from a member to convert his holding of odd lots, subject however, to verification by the Company.</p> <p>d. The Directors may not accept applications for transfer of less than 100 equity shares of the Company, provided however, that these restrictions shall not apply to:</p> <ol style="list-style-type: none"> <li>i. Transfer of equity shares made in pursuance of a statutory order or an order of competent court of law.</li> <li>ii. Transfer of the entire equity shares by an existing equity shareholder of the Company holding less than hundred (100) equity shares by a single transfer to joint names.</li> <li>iii. Transfer of more than hundred (100) equity shares in favour of the same transferee under one or more transfer deeds, one or more of them relating to transfer of less than hundred (100) equity shares.</li> <li>iv. Transfer of equity shares held by a member which are less than hundred (100) but which have been allotted to him by the Company as a result of Bonus and/or Rights shares or any shares resulting from Conversion of Debentures.</li> <li>v. The Board of Directors be authorised not to accept applications for sub-division or consolidation of shares into denominations of less than hundred (100) except when such sub-division or consolidation is required to be made to comply with a statutory order of a Court of Law or a request from a member to convert his holding of odd lots of shares into transferable/marketable lots, subject, however, to verification by the Company.</li> </ol> <p>Provided that where a member is holding shares in lots higher than the transferable limit of trading and transfers in lots of transferable unit, the residual shares shall be permitted to stand in the name of such transferor not withstanding that the residual holding shall be below hundred (100).</p>
<p><b>Rights to shares on death of a member for transmission</b></p>	<p>50.</p>	<p>a. In the event of death of any one or more of several joint holders, the survivor, or survivors, alone shall be entitled to be recognised as having title to the shares.</p> <p>b. In the event of death of any sole holder or of the death of last surviving holder, the executors or administrators of such holder or other person legally entitled to the shares shall be entitled to be recognised by the Company as having title to the shares of the deceased.</p> <p>Provided that on production of such evidence as to title and on such indemnity or other terms as the Board may deem sufficient, any person may be recognised as having title to the shares as heir or legal representative of the deceased shareholder.</p> <p>Provided further that if the deceased shareholder was a member of a Hindu Joint Family, the Board, on being satisfied to that effect and on being satisfied that the shares standing in his name in fact belonged to the joint family, may recognise the survivors of Karta thereof as having titles to the shares registered in the name of such member.</p>

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		Provided further that in any case, it shall be lawful for the Board in its absolute discretion, to dispense with the production of probate or letters of administration or other legal representation upon such evidence and such terms as to indemnity or otherwise as the Board may deem just.
<b>Rights and liabilities of person</b>	51.	<ol style="list-style-type: none"> <li>1. 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 be required by the Board and subject as herein, after provided elect either <ol style="list-style-type: none"> <li>a. to be registered himself as a holder of the share or</li> <li>b. to make such transfer of the share as the deceased or insolvent member could have made.</li> </ol> </li> <li>2. 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.</li> </ol>
<b>Notice by such a person of his election</b>	52.	<ol style="list-style-type: none"> <li>a. If the person so becoming entitled shall elect to be registered as holder of the shares himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.</li> <li>b. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.</li> <li>c. 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 of transfer had been signed by that member.</li> </ol>
<b>No transfer to infant, etc.</b>	53.	No transfer shall be made to an infant or a person of unsound mind.
<b>Endorsement of transfer and issue of certificate</b>	54.	Every endorsement upon the certificate of any share in favour of any transferee shall be signed by the Secretary or by some person for the time being duly authorised by the Board in that behalf.
<b>Custody of transfer</b>	55.	The instrument of transfer shall, after registration, remain in the custody of the Company. The Board may cause to be destroyed all transfer deeds lying with the Company for a period of ten years or more.
<b>Register of members</b>	56.	<ol style="list-style-type: none"> <li>a. The Company shall keep a book to be called the Register of Members, and therein shall be entered the particulars of every transfer or transmission of any share and all other particulars of shares required by the Act to be entered in such Register.</li> </ol> <p><b>Closure of Register of members</b></p> <ol style="list-style-type: none"> <li>b. The Board may, after giving not less than seven days previous notice by advertisement in some newspapers circulating in the district in which the Registered Office of the Company is situated, close the Register of Members or the Register of Debenture Holders for any period or periods not exceeding in the aggregate forty-five days in each year but not exceeding thirty days at any one time.</li> </ol> <p><b>When instruments of transfer to be retained</b></p> <ol style="list-style-type: none"> <li>c. All instruments of transfer which shall be registered shall be retained by the Company but any instrument of transfer which the Directors may decline to register shall be returned to the person depositing the same.</li> </ol>
<b>Company's right to register transfer by apparent legal owner</b>	57.	The Company shall incur no liability or responsibility whatever in consequence of their registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right or title or interest prohibiting registration of such transfer and may have entered such notice referred thereto in any book of the Company and the Company shall not be bound by or required to regard or attend to or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered



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		or referred to in the books of the Company; but the Company shall nevertheless be at liberty to have regard and to attend to any such notice and give effect thereto, if the Board shall so think fit.
<b>Alteration Of Capital</b>  <b>Alteration and consolidation, sub-division and cancellation of shares</b>	58.	a. The Company may, from time to time, in accordance with the provisions of the Act, alter by Ordinary Resolution, the conditions of the Memorandum of Association as follows: <ol style="list-style-type: none"> <li>1. increase its share capital by such amount as it thinks expedient by issuing new shares;</li> <li>2. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;</li> <li>3. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of the denomination;</li> <li>4. sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division on the proportion between the amount paid and the amount, if any, unpaid, on each reduced share shall be the same as it was in the case of the shares from which the reduced share is derived.</li> <li>5. <ol style="list-style-type: none"> <li>a. Cancel shares which, at the date of passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled.</li> <li>b. The resolution whereby any share is sub-divided may determined that, as between the holder of the shares resulting from such sub-division, one or more such shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the others.</li> </ol> </li> <li>6. Classify and reclassify its share capital from the shares on one class into shares of other class or classes and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate any such rights, privileges, conditions or restrictions in such manner as may for the time being be permitted under legislative provisions for the time being in force in that behalf.</li> </ol>
<b>Reduction of capital, etc. by Company</b>	59.	The Company may, by Special Resolution, reduce in any manner with and subject to any incident authorised and consent as required by law: <ol style="list-style-type: none"> <li>a. its share capital;</li> <li>b. any capital redemption reserve account; or</li> <li>c. any share premium account.</li> </ol>
<b>SURRENDER OF SHARES</b>	60.	The Directors may, subject to the provisions of the Act, accept the surrender of any share by way of compromise of any question as to the holder being properly registered in respect thereof.
<b>MODIFICATION OF RIGHTS</b>	61.	<b>Power of modify shares</b> The rights and privileges attached to each class of shares may be modified, commuted, affected, abrogated in the manner provided in Section 48 of the Act.
<b>SET-OFF OF MONEYS DUE TO SHAREHOLDERS</b>	62.	Any money due from the Company to a shareholder may, without the consent of such shareholder, be applied by the Company in or towards payment of any money due from him, either alone or jointly with any other person, to the Company in respect of calls.
<b>CONVERSION OF SHARES</b>	63.	The Company may, by Ordinary Resolution, convert all or any fully paid share(s) of any denomination into stock and vice versa.
<b>Transfer of stock</b>	64.	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>Right of stockholders</b>	65.	The holders of the stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends,

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		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 its 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.
<b>Applicability of regulations to stock and stockholders</b>	66.	Such of the regulations contained in these presents, other than those relating to share warrants as are applicable to paid-up shares shall apply to stock and the words shares and shareholder in these presents shall include stock and stockholder respectively.
<b>Dematerialisation Of Securities</b>	67.	<p><b>a) Definitions</b> For the purpose of this Article: ‘Beneficial Owner’ means a person or persons whose name is recorded as such with a depository; ‘SEBI’ means the Securities and Exchange Board of India; ‘Depository’ means a company formed and registered under the Companies Act, 2013, and which has been granted a certificate of registration to act as a depository under the Securities and Exchange Board of India Act, 1992, and ‘Security’ means such security as may be specified by SEBI from time to time.</p> <p><b>b) Dematerialisation of securities</b> Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise or rematerialise its securities and to offer securities in a dematerialised form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.</p> <p><b>c) Options for investors</b> Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person, who is the beneficial owner of the securities, can at any time opt out of a depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities. If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security.</p> <p><b>d) Securities in depositories to be in fungible form</b> All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 89 and 186 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.</p> <p><b>e) Rights of depositories and beneficial owners:</b></p> <p>(i). Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.</p> <p>(ii). Save as otherwise provided in (a) above, the depository, as the registered owner of the securities, shall not have any voting rights or any other rights in respect of the securities held by it.</p> <p>(iii). 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 the securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.</p> <p><b>f) Service of documents</b> Notwithstanding anything in the Act or these Articles to the contrary, 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 discs.</p> <p><b>g) Transfer of securities</b></p>



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		<p>Nothing contained in Section 56 of the Act or these Articles shall apply to transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.</p> <p><b>h) Allotment of securities dealt with in a depository</b> Notwithstanding anything in the Act or these Articles, where securities are dealt with in a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.</p> <p><b>i) Distinctive numbers of securities held in a depository</b> Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers of securities issued by the Company shall apply to securities held in a depository.</p> <p><b>j) Register and Index of Beneficial owners</b> 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 purposes of these Articles.</p> <p><b>k) Company to recognise the rights of registered holders as also the beneficial owners in the records of the depository</b> Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share, as also the beneficial owner of the shares in records of the depository as the absolute owner thereof as regards receipt of dividends or bonus or services of notices and all or any other matters connected with the Company, and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction or as by law required, be bound to recognise any benami trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other person, whether or not it shall have express or implied notice thereof.</p>
<b>General Meetings</b>	68.	<p><b>Annual General Meeting</b> The Company shall in each year hold in addition to the other meetings a general meeting which shall be styled as its Annual General Meeting at intervals and in accordance with the provisions of Section 96 of the Act.</p>
<b>Extraordinary General Meeting</b>	69.	<p>1. Extraordinary General Meetings may be held either at the Registered Office of the Company or at such convenient place as the Board or the Managing Director (subject to any directions of the Board) may deem fit.</p> <p><b>Right to summon Extraordinary General Meeting</b></p> <p>2. The Chairman or Vice Chairman may, whenever they think fit, and shall if so directed by the Board, convene an Extraordinary General Meeting at such time and place as may be determined.</p>
<b>Extraordinary Meeting by requisition</b>	70.	<p>a. The Board shall, on the requisition of such number of members of the Company as is specified below, proceed duly to call an Extraordinary General Meeting of the Company and comply with the provisions of the Act in regard to meetings on requisition.</p> <p>b. The requisition shall set out matters for the consideration of which the meeting is to be called, shall be signed by the requisitionists and shall be deposited at the Registered Office of the Company or sent to the Company by Registered Post addressed to the Company at its Registered Office.</p> <p>c. The requisition may consist of several documents in like forms, each signed by one or more requisitionists.</p> <p>d. The number of members entitled to requisition a meeting in regard to any matter shall be such number of them as hold, on the date of the deposit of the requisition, not less than 1/10th of such of the paid-up capital of the Company as at the date carries the right of the voting in regard to the matter set out in the requisition.</p> <p>e. If the Board does not, within 21 days from the date of receipt of deposit of the requisition with regard to any matter, proceed duly to call a meeting for the consideration of these matters on a date not later than 45 days from the date of deposit of the requisition, the meeting may be called by the requisitionists themselves or such of the requisitionists, as represent either majority in the value of the paid-up share capital held by them or of not</p>

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		less than one tenth of such paid-up capital of the Company as is referred to in Sub-clause (d) above, whichever is less.
<b>Length of notice for calling meeting</b>	71.	A General Meeting of the Company may be called by giving not less than twenty one days notice in writing, provided that a General Meeting may be called after giving shorter notice if consent thereto is accorded by the members holding not less than 95 per cent of the part of the paid- up share capital which gives the right to vote on the matters to be considered at the meeting. Provided that where any member of the Company is entitled to vote only on some resolution or resolutions to be moved at a meeting and not on the others, those members, shall be taken into account for purpose of this clause in respect of the former resolution or resolutions and not in respect of the latter.
<b>Accidental omission to give notice not to invalidate meeting</b>	72.	The accidental omission is to give notice of any meeting to or the non-receipt of any such notice by any of the members shall not invalidate the proceedings of any resolution passed at such meeting.
<b>Special business and statement to be annexed</b>	73.	All business shall be deemed special that is transacted at an Extraordinary Meeting and also that is transacted at an Annual Meeting with the exception of declaration of a dividend, the consideration of financial statements and the reports of the Directors and Auditors thereon, the election of the Directors in the place of those retiring, and the appointment of and the fixing of the remuneration of Auditors. Where any item of business to be transacted at the meeting is deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business including in particular the nature of the concern or interest, if any, therein, of every Director and the Manager, if any, every other Key Managerial Personnel and the relatives of Directors, Manager and other Key Managerial Personnel. Where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid. Where any item of special business to be transacted at a meeting of the company relates to or affects any other company, the extent of shareholding interest in that other company of every promoter, director, manager, if any, and of every other key managerial personnel of the first mentioned company shall, if the extent of such shareholding is not less than two per cent of the paid-up share capital of that company, also be set out in the statement.
<b>Quorum</b>	74.	The quorum requirements for general meetings shall be as under and no business shall be transacted at any General Meeting unless the requisite quorum is present when the meeting proceeds to business: Number of members upto 1000: 5 members personally present Number of members 1000-5000: 15 members personally present Number of members more than 5000: 30 members personally present
<b>If quorum not present, when meeting to be dissolved and when to be adjourned</b>	75.	If within half an hour from the time appointed for the meeting, a quorum is not present, the meeting, if called upon the requisition of members, shall be dissolved; in any other case, it shall stand adjourned to the same day in the next week and at the same time and place or to such other day and to be at such other time and place as the Board may determine and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum.
<b>Chairman of General Meeting</b>	76.	The Chairman of the Board of Directors shall preside at every General Meeting of the Company and if he is not present within 15 minutes after the time appointed for holding the meeting, or if he is unwilling to act as Chairman, the Vice Chairman of the Board of Directors shall preside over the General Meeting of the Company.
<b>When Chairman is absent</b>	77.	If there is no such Chairman or Vice Chairman or if at any General Meeting, either the Chairman or Vice Chairman is not present within fifteen minutes after the time appointed for holding the meeting or if they are unwilling to take the chair, the members present shall choose one of their members to be the Chairman.

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<b>Adjournment of meeting</b>	78.	<p>The Chairman may, with the consent of any meeting at which a quorum is present and shall, if so directed by the meeting, adjourn that meeting from time to time from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.</p> <p>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. Save as aforesaid, it shall not be necessary to give any notice of adjournment or of the business to be transacted at an adjourned meeting.</p>
<b>Questions at General Meeting how decided</b>	79.	<p>At a General Meeting, a resolution put to the vote of the meeting shall be decided on a show of hands/result of electronic voting as per the provisions of Section 108, unless a poll is (before or on the declaration of the result of the show of hands/ electronic voting) demanded in accordance with the provisions of Section 109. Unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands/ electronic voting, been carried unanimously or by a particular majority or lost and an entry to that effect in the book of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number of proportion of the votes recorded in favour of or against that resolution.</p>
<b>Casting vote</b>	80.	<p>In the case of an equality of votes, the Chairman shall, whether on a show of hands, or electronically or on a poll, as the case may be, have a casting vote in addition to the vote or votes to which he may be entitled as a member.</p>
<b>Taking of poll</b>	81.	<p>If a poll is duly demanded in accordance with the provisions of Section 109, it shall be taken in such manner as the Chairman, subject to the provisions of Section 109 of the Act, may direct, and the results of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.</p>
<b>In what cases poll taken without adjournment</b>	82.	<p>A poll demanded on the election of Chairman or on a question of adjournment shall be taken forthwith. Where a poll is demanded on any other question, adjournment shall be taken at such time not being later than forty-eight hours from the time which demand was made, as the Chairman may direct.</p>
<b>Votes</b>	83.	<ol style="list-style-type: none"> <li>a. Every member of the Company holding Equity Share(s), shall have a right to vote in respect of such capital on every resolution placed before the Company. On a show of hands, every such member present shall have one vote and shall be entitled to vote in person or by proxy and his voting right on a poll or on e-voting shall be in proportion to his share of the paid-up Equity Capital of the Company.</li> <li>b. Every member holding any Preference Share shall in respect of such shares have a right to vote only on resolutions which directly affect the rights attached to the Preference Shares and subject as aforesaid, every such member shall in respect of such capital be entitled to vote in person or by proxy, if the dividend due on such preference shares or any part of such dividend has remained unpaid in respect of an aggregate period of not less than two years preceding the date of the meeting. Such dividend shall be deemed to be due on Preference Shares in respect of any period, whether a dividend has been declared by the Company for such period or not, on the day immediately following such period.</li> <li>c. Whenever the holder of a Preference Share has a right to vote on any resolution in accordance with the provisions of this article, his voting rights on a poll shall be in the same proportion as the capital paid-up in respect of such Preference Shares bear to the total equity paid-up capital of the Company.</li> </ol>
<b>Business may proceed notwithstanding demand for poll</b>	84.	<p>A demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than that on which a poll has been demanded; The demand for a poll may be withdrawn at any time by the person or persons who made the demand.</p>
<b>Joint holders</b>	85.	<p>In the case of joint holders, the vote of the first named of such joint holders who tender a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.</p>

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<b>Member of unsound mind</b>	86.	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.
<b>No member entitled to vote while call due to Company</b>	87.	No member shall be entitled to vote at a General Meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
<b>Proxies permitted on polls</b>	88.	On a poll, votes may be given either personally or by proxy provided that no Company shall vote by proxy as long as resolution of its Directors in accordance with provisions of Section 113 is in force.
<b>Instrument of proxy</b>	89.	<p>a. The instrument appointing a proxy shall be in writing under the hand of the appointed or of the attorney duly authorised in writing, or if the appointer is a Corporation, either under the common seal or under the hand of an officer or attorney so authorised. Any person may act as a proxy whether he is a member or not.</p> <p>b. A body corporate (whether a company within the meaning of this Act or not) may:</p> <ol style="list-style-type: none"> <li>1. If it is a member of the Company by resolution of its Board of Directors or other governing body, authorise such persons as it thinks fit to act as its representatives at any meeting of the Company, or at any meeting of any class of members of the Company;</li> <li>2. If it is a creditor (including a holder of debentures) of the Company, by resolution of its Directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of any creditors of the Company held in pursuance of this Act or of any rules made thereunder, or in pursuance of the provisions contained in any debenture or trust deed, as the case may be.</li> </ol> <p>c. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents, as if he were personally the member, creditor or debenture holder.</p>
<b>Instrument of proxy to be deposited at the office</b>	90.	The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notary certified copy of that power of authority shall be deposited at the Registered Office of the Company not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposed to vote, and in default, the instrument of proxy shall not be treated as valid.
<b>Validity of vote by proxy</b>	91.	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the appointer, or revocation of the proxy, or transfer of the share in respect of which the vote is given provided no intimation in writing of the death, revocation or transfer shall have been received at the Registered Office of the Company before the commencement of the meeting or adjourned meeting at which the proxy is used.
<b>Form of proxy</b>	92.	Any instrument appointing a proxy may be a two way proxy form to enable the shareholders to vote for or against any resolution at their discretion. The instrument of proxy shall be in the prescribed form as given in Form MGT-11.
<b>DIRECTORS</b>	93.	<p><b>Number of Directors</b> Unless otherwise determined by a General Meeting, the number of Directors shall not be less than 3 and not more than 15.</p> <p><b>a) Board of Directors</b> *The Present Directors* of the Company are (1) Mr. Rakesh Swadia, (2) Mrs. Nitaben Swadia (3) Mr. Devarshi Swadia and (4) Mrs. Manisha Swadia.</p> <p><b>b) Same individual may be appointed as Chairperson and Managing Director / Chief Executive Office</b> The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive of the Company. <i>“Present Director” shall mean and constitute the Board of Directors as on date of Extra-Ordinary General Meeting held on Monday, May 14, 2018.</i></p>

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	94.	Subject to the provisions of the Act as may be applicable, the Board may appoint any person as a Managing Director to perform such functions as the Board may decide from time to time. Such Director shall be a Member of the Board.
<b>Qualification of Directors</b>	95.	Any person, whether a member of the Company or not, may be appointed as a Director. No qualification by way of holding shares in the capital of the Company shall be required of any Director.
<b>Director's remuneration</b>	96.	<p>a. Until otherwise determined by the Company in General Meeting, each Director shall be entitled to receive and be paid out of the funds of the Company a fee for each meeting of the Board of Directors or any committee thereof, attended by him as may be fixed by the Board of Directors from time to time subject to the provisions of Section 197 of the Act, and the Rules made thereunder. For the purpose of any resolution in this regard, none of the Directors shall be deemed to be interested in the subject matter of the resolution. The Directors shall also be entitled to be paid their reasonable travelling and hotel and other expenses incurred in consequence of their attendance at meetings of the Board or of any committee of the Board or otherwise in the execution of their duties as Directors either in India or elsewhere. The Managing/Whole-time Director of the Company who is a full time employee, drawing remuneration will not be paid any fee for attending Board Meetings.</p> <p>b. Subject to the provisions of the Act, the Directors may, with the sanction of a Special Resolution passed in the General Meeting and such sanction, if any, of the Government of India as may be required under the Companies Act, sanction and pay to any or all the Directors such remuneration for their services as Directors or otherwise and for such period and on such terms as they may deem fit.</p> <p>c. Subject to the provisions of the Act, the Company in General Meeting may by Special Resolution sanction and pay to the Director in addition to the said fees set out in sub-clause (a) above, a remuneration not exceeding one per cent (1%) of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Act. The said amount of remuneration so calculated shall be divided equally between all the Directors of the Company who held office as Directors at any time during the year of account in respect of which such remuneration is paid or during any portion of such year irrespective of the length of the period for which they held office respectively as such Directors.</p> <p>d. Subject to the provisions of Section 188 of the Companies Act, and subject to such sanction of the Government of India, as may be required under the Companies Act, if any Director shall be appointed to advise the Directors as an expert or be called upon to perform extra services or make special exertions for any of the purposes of the Company, the Directors may pay to such Director such special remuneration as they think fit; such remuneration may be in the form of either salary, commission, or lump sum and may either be in addition to or in substitution of the remuneration specified in clause (a) of the Article.</p>
<b>Directors may act notwithstanding vacancy</b>	97.	The continuing Directors may act notwithstanding any vacancy in their body, but subject to the provisions contained in Article 121 below:
<b>Chairman or Vice-chairman of the Board</b>	98.	<p>a. Notwithstanding anything contained in these Articles and pursuant to provisions of the Act, Managing Director of the company will act as Chairman of the board and Deputy Managing Director will act as Vice chairman of the board.</p> <p>b. Subject to the provisions of the Act, the Chairman and the Vice Chairman may be paid such remuneration for their services as Chairman and Vice Chairman respectively, and such reasonable expenses including expenses connected with travel, secretarial service and entertainment, as may be decided by the Board of Directors from time to time.</p>
<b>Casual vacancy</b>	99.	If the office of any Director becomes vacant before the expiry of the period of his Directorship in normal course, the resulting casual vacancy may be filled



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		by the Board at a Meeting of the Board subject to Section 161 of the Act. Any person so appointed shall hold office only upto the date which the Director in whose place he is appointed would have held office if the vacancy had not occurred as aforesaid.
<b>VACATION OF OFFICE BY DIRECTORS</b>	100.	<p>The office of a Director shall be vacated if:</p> <ol style="list-style-type: none"> <li>1. he is found to be unsound mind by a Court of competent jurisdiction;</li> <li>2. he applies to be adjudicated as an insolvent;</li> <li>3. he is an undischarged insolvent;</li> <li>4. he is convicted by a Court of any offence whether involving moral turpitude or otherwise and is sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence;</li> <li>5. he fails to pay any call in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call;</li> <li>6. an order disqualifying him for appointment as Director has been passed by court or tribunal and the order is in force.</li> <li>7. he has not complied with Subsection (3) of Section 152</li> <li>8. he has been convicted of the offence dealing with related party transaction under section 188 at any time during the preceding five years.</li> <li>9. he absents himself from all meetings of the Board for a continuous period of twelve months, with or without seeking leave of absence from the Board;</li> <li>10. he acts in contravention of Section 184 of the Act and fails to disclose his interest in a contract in contravention of section 184.</li> <li>11. he becomes disqualified by an order of a court or the Tribunal</li> <li>12. he is removed in pursuance of the provisions of the Act,</li> <li>13. having been appointed a Director by virtue of holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company;</li> </ol> <p>notwithstanding anything in Clause (4), (6) and (8) aforesaid, the disqualification referred to in those clauses shall not take effect:</p> <ol style="list-style-type: none"> <li>1. for thirty days from the date of the adjudication, sentence or order;</li> <li>2. where any appeal or petition is preferred within the thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order until the expiry of seven days from the date on which such appeal or petition is disposed off; or</li> <li>3. where within the seven days as aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed off.</li> </ol>
<b>Alternate Directors</b>	101.	<p>(a) The Board may appoint an Alternate Director to act for a Director hereinafter called in this clause “the Original Director” during his absence for a period of not less than 3 months from India.</p> <p>(b) An Alternate Director appointed as aforesaid shall vacate office if and when the Original Director returns to India.</p> <p><b>Independent Directors</b></p> <p>(c) (i) The Directors may appoint such number of Independent Directors as are required under Section 149 of the Companies Act, 2013 or clause 49 of Listing Agreement, whichever is higher, from time to time.</p> <p>(ii) Independent directors shall possess such qualification as required under Section 149 of the companies Act, 2013 and clause 49 of Listing Agreement</p> <p>(iii) Independent Director shall be appointed for such period as prescribed under relevant provisions of the companies Act, 2013 and Listing Agreement and shall not be liable to retire by rotation.</p> <p><b>Women Director</b></p> <p>(d) The Directors shall appoint one women director as per the requirements of section 149 of the Act.</p>

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		<p><b>Key Managerial Personnel</b></p> <p>(e) Subject to the provisions of the Act,—</p> <p>(i). A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;</p> <p>(ii). A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.</p> <p>(iii). (iii) The Managing Director shall act as the Chairperson of the Company for all purposes subject to the provisions contained in the Act and these articles.</p>
<b>Additional Directors</b>	102.	<p>The Directors may, from time to time, appoint a person as an Additional Director provided that the number of Directors and Additional Directors together shall not exceed the maximum number of Directors fixed under Article 93 above. Any person so appointed as an Additional Director shall hold office up to the date of the next Annual General Meeting of the Company.</p> <p><b>Proportion of retirement by rotation</b></p> <p>a. The proportion of directors to retire by rotation shall be as per the provisions of Section 152 of the Act.</p>
<b>Debenture</b>	103.	<p>Any trust deed for securing debentures or debenture-stocks may, if so arranged, provide for the appointment, from time to time, by the Trustees thereof or by the holders of debentures or debenture-stocks, of some person to be a Director of the Company and may empower such Trustees, holder of debentures or debenture-stocks, from time to time, to remove and re-appoint any Director so appointed. The Director appointed under this Article is herein referred to as “Debenture Director” and the term “Debenture Director” means the Director for the time being in office under this Article. The Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be arranged between the Company and the Trustees and all such provisions shall have effect notwithstanding any other provisions herein contained.</p>
<b>Corporation/Nominee Director</b>	104.	<p>a. Notwithstanding anything to the contrary contained in the Articles, so long as any moneys remain owing by the Company to any finance corporation or credit corporation or body, (herein after in this Article referred to as “The Corporation”) out of any loans granted by them to the Company or as long as any liability of the Company arising out of any guarantee furnished by the Corporation, on behalf of the Company remains defaulted, or the Company fails to meet its obligations to pay interest and/or instalments, the Corporation shall have right to appoint from time to time any person or persons as a Director or Directors (which Director or Directors is/are hereinafter referred to as “Nominee Director(s)”) on the Board of the Company and to remove from such office any person so appointed, any person or persons in his or their place(s).</p> <p>b. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s as long as such default continues. Such Nominee Director/s shall not be required to hold any share qualification in the Company, and such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.</p> <p>The Nominee Director/s appointed shall hold the said office as long as any moneys remain owing by the Company to the Corporation or the liability of the Company arising out of the guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately the moneys owing by the Company to the Corporation are paid off or on the satisfaction of the liability of the Company arising out of the guarantee furnished by the Corporation.</p>



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		<p>The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, and of the Meeting of the Committee of which the Nominee Director/s is/are member/s.</p> <p>The Corporation shall also be entitled to receive all such notices. The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Director/s of the Company are entitled, but if any other fee, commission, monies or remuneration in any form is payable to the Director/s of the Company, the fee, commission, monies and remuneration in relation to such Nominee Director/s shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment to Directorship shall also be paid or reimbursed by the Company to the Corporation or, as the case may be, to such Nominee Director/s.</p> <p>Provided that if any such Nominee Director/s is an officer of the Corporation, the sitting fees, in relation to such Nominee Director/s shall so accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation.</p> <p>c. The Corporation may at any time and from time to time remove any such Corporation Director appointed by it and may at the time of such removal and also in the case of death or resignation of the person so appointed, at any time appoint any other person as a Corporation Director in his place. Such appointment or removal shall be made in writing signed by the Chairman or Joint Chairman of the Corporation or any person and shall be delivered to the Company at its Registered office. It is clarified that every Corporation entitled to appoint a Director under this Article may appoint such number of persons as Directors as may be authorised by the Directors of the Company, subject to Section 152 of the Act and so that the number does not exceed 1/3 of the maximum fixed under Article 93.</p>
<b>Disclosure of interest of Directors</b>	105.	<p>a. Subject to the provisions of the Act, the Directors shall not be disqualified by reason of their office as such from contracting with the Company either as vendor, purchaser, lender, agent, broker, or otherwise, nor shall any such contract or any contract or arrangement entered into by on behalf of the Company with any Director or with any company or partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting or being such member or so interested be liable to account to the Company for any profit realised by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established but the nature of the interest must be disclosed by the Director at the meeting of the Board at which the contract or arrangements is determined or if the interest then exists in any other case, at the first meeting of the Board after the acquisition of the interest.</p> <p>Provided nevertheless that no Director shall vote as a Director in respect of any contract or arrangement in which he is so interested as aforesaid or take part in the proceedings thereat and he shall not be counted for the purpose of ascertaining whether there is quorum of Directors present. This provision shall not apply to any contract by or on behalf of the Company to indemnify the Directors or any of them against any loss they may suffer by becoming or being sureties for the Company.</p> <p>b. A Director may be or become a Director of any company promoted by this Company or in which this Company may be interested as vendor, shareholder or otherwise and no such Director shall be accountable to the Company for any benefits received as a Director or member of such company.</p>
<b>Rights of Directors</b>	106.	<p>Except as otherwise provided by these Articles and subject to the provisions of the Act, all the Directors of the Company shall have in all matters equal rights and privileges, and be subject to equal obligations and duties in respect of the affairs of the Company.</p>

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<b>Directors to comply with Section 184</b>	107.	Notwithstanding anything contained in these presents, any Director contracting with the Company shall comply with the provisions of Section 184 of the Companies Act, 2013.
<b>Directors power of contract with Company</b>	108.	Subject to the limitations prescribed in the Companies Act, 2013, the Directors shall be entitled to contract with the Company and no Director shall be disqualified by having contracted with the Company as aforesaid.
<b>ROTATION OF DIRECTORS</b>	109.	<b>Rotation and retirement of Directors</b> At every annual meeting, one-third of the Directors shall retire by rotation in accordance with provisions of Section 152 of the Act.
<b>Retiring Directors eligible for re-election</b>	110.	A retiring Director shall be eligible for re-election and the Company at the General Meeting at which a Director retires in the manner aforesaid may fill up vacated office by electing a person thereto.
<b>Which Directors to retire</b>	111.	The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who become Directors on the same day, those to retire shall, unless they otherwise agree among themselves, be determined by lot.
<b>Retiring Directors to remain in office till successors are appointed</b>	112.	Subject to Section 152 of the Act, if at any meeting at which an election of Directors ought to take place, the place of the vacating or deceased Directors is not filled up and the meeting has not expressly resolved not to fill up or appoint the vacancy, the meeting shall stand adjourned till the same day in the next week at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a holiday at the same time, place, and if at the adjourned meeting the place of vacating Directors is not filled up and the meeting has also not expressly resolved not to fill up the vacancy, then the vacating Directors or such of them as have not had their places filled up shall be deemed to have been reappointed at the adjourned meeting.
<b>Power of General Meeting to increase or reduce number of Directors</b>	113.	Subject to the provisions of Sections 149, 151 and 152 the Company in General Meeting may increase or reduce the number of Directors subject to the limits set out in Article 93 and may also determine in what rotation the increased or reduced number is to retire.
<b>Power to remove Directors by ordinary resolution</b>	114.	Subject to provisions of Section 169 the Company, by Ordinary Resolution, may at any time remove any Director except Government Directors before the expiry of his period of office, and may by Ordinary Resolution appoint another person in his place. The person so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforesaid. A Director so removed from office shall not be re-appointed as a Director by the Board of Directors. Special Notice shall be required of any resolution to remove a Director under this Article, or to appoint somebody instead of the Director at the meeting at which he is removed.
<b>Rights of persons other than retiring Directors to stand for Directorships</b>	115.	Subject to the provisions of Section 160 of the Act, a person not being a retiring Director shall be eligible for appointment to the office of a Director at any general meeting if he or some other member intending to propose him as a Director has not less than fourteen days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of the Director, or the intention of such member to propose him as a candidate for that office, as the case may be "along with a deposit of such sum as may be prescribed by the Act or the Central Government from time to time which shall be refunded to such person or as the case may be, to such member, if the person succeeds in getting elected as a Director or gets more than 25% of total valid votes cast either on show of hands or electronically or on poll on such resolution".
<b>Register of Directors and KMP and their shareholding</b>	116.	The Company shall keep at its Registered Office a register containing the addresses and occupation and the other particulars as required by Section 170 of the Act of its Directors and Key Managerial Personnel and shall send to the Registrar of Companies returns as required by the Act.
<b>Business to be carried on</b>	117.	The business of the Company shall be carried on by the Board of Directors.
<b>Meeting of the Board</b>	118.	The Board may meet for the despatch of business, adjourn and otherwise regulate its meetings, as it thinks fit, provided that a meeting of the Board shall

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		be held at least once in every one hundred and twenty days; and at least four such meetings shall be held in every year.
<b>Director may summon meeting</b>	119.	A Director may at any time request the Secretary to convene a meeting of the Directors and seven days notice of meeting of directors shall be given to every director and such notice shall be sent by hand delivery or by post or by electronic means.
<b>Question how decided</b>	120.	<p>a. Save as otherwise expressly provided in the Act, a meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the regulations of the Company for the time being vested in or exercisable by the Directors generally and all questions arising at any meeting of the Board shall be decided by a majority of the Board.</p> <p>b. In case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a Director.</p>
<b>Right of continuing Directors when there is no quorum</b>	121.	The continuing Directors may act notwithstanding any vacancy in the Board, but if and as long as their number is reduced below three, the continuing Directors or Director may act for the purpose of increasing the number of Directors to three or for summoning a General Meeting of the Company and for no other purpose.
<b>Quorum</b>	122.	The quorum for a meeting of the Board shall be one third of its total strength (any fraction contained in that onethird being rounded off as one) or two Directors whichever is higher; provided that where at any time the number of interested Directors is equal to or exceeds two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of Directors who are not interested present at the meeting being not less than two shall be the quorum during such time. The total strength of the Board shall mean the number of Directors actually holding office as Directors on the date of the resolution or meeting, that is to say, the total strength of the Board after deducting therefrom the number of Directors, if any, whose places are vacant at the time.
<b>Election of Chairman to the Board</b>	123.	If no person has been appointed as Chairman or Vice Chairman under Article 98(a) or if at any meeting, the Chairman or Vice Chairman of the Board is not present within fifteen minutes after the time appointed for holding the meeting, the Directors present may choose one of their members to be the Chairman of the meeting.
<b>Power to appoint Committees and to delegate</b>	124.	<p>a. The Board may, from time to time, and at any time and in compliance with provisions of the act and listing agreement constitute one or more Committees of the Board consisting of such member or members of its body, as the Board may think fit.</p> <p><b>Delegation of powers</b></p> <p>b. Subject to the provisions of Section 179 the Board may delegate from time to time and at any time to any Committee so appointed all or any of the powers, authorities and discretions for the time being vested in the Board and such delegation may be made on such terms and subject to such conditions as the Board may think fit and subject to provisions of the act and listing agreement.</p> <p>c. The Board may from, time to time, revoke, add to or vary any powers, authorities and discretions so delegated subject to provisions of the act and listing agreement.</p>
<b>Proceedings of Committee</b>	125.	The meeting and proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto, and not superseded by any regulations made by the Directors under the last proceeding Article.
<b>Election of Chairman of the Committee</b>	126.	a. The Chairman or the Vice Chairman shall be the Chairman of its meetings, if either is not available or if at any meeting either is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their number to be Chairman of the meeting.

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		b. The quorum of a Committee may be fixed by the Board and until so fixed, if the Committee is of a single member or two members, the quorum shall be one and if more than two members, it shall be two.
<b>Question how determined</b>	127.	a. A Committee may meet and adjourn as it thinks proper. b. Questions arising at any meeting of a Committee shall be determined by the sole member of the Committee or by a majority of votes of the members present as the case may be and in case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a member of the Committee.
<b>Acts done by Board or Committee valid, notwithstanding defective appointment, etc.</b>	128.	All acts done by any meeting of the Board or 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 any person acting as aforesaid, or that any of them was disqualified, be as valid as if every such Director and such person had been duly appointed and was qualified to be a Director.
<b>Resolution by circulation</b>	129.	Save as otherwise expressly provided in the Act, a resolution in writing circulated in draft together with necessary papers, if any, to all the members of the Committee then in India (not being less in number than the quorum fixed for the meeting of the Board or the Committee as the case may) and to all other Directors or members at their usual address in India or by a majority of such of them as are entitled to vote on the resolution shall be valid and effectual as if it had been a resolution duly passed at a meeting of the Board or Committee duly convened and held.
<b>POWERS AND DUTIES OF DIRECTORS</b>	130.	<b>General powers of Company vested in Directors</b> The business of the Company shall be managed by the Directors who may exercise all such powers of the Company as are not, by the act or any statutory modification thereof for the time being in force, or by these Articles, required to be exercised by the Company in General Meeting, subject nevertheless to any regulation of these Articles, to the provisions of the said Act, and to such regulations being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in General Meeting; but no regulation made by the Company in General Meeting, shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.
<b>Attorney of the Company</b>	131.	The Board may appoint at any time and from time to time by a power of attorney under the Company's seal, any person to be the Attorney of the Company for such purposes and with such powers, authorities and discretions not exceeding those vested in or exercisable by the Board under these Articles and for such period and subject to such conditions as the Board may from time to time think fit and any such appointment, may, if the Board thinks fit, be made in favour of the members, or any of the members of any firm or company, or the members, Directors, nominees or managers of any firm or company or otherwise in favour of any body or persons whether nominated directly or indirectly by the Board and any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney as the Board may think fit.
<b>Power to authorise sub delegation</b>	132.	The Board may authorise any such delegate or attorney as aforesaid to sub-delegate all or any of the powers and authorities for the time being vested in him.
<b>Directors' duty to comply with the provisions of the Act</b>	133.	The Board shall duly comply with the provisions of the Act and in particular with the provisions in regard to the registration of the particulars of mortgages and charges affecting the property of the Company or created by it, and keep a register of the Directors, and send to the Registrar an annual list of members and a summary of particulars relating thereto, and notice of any consolidation or increase of share capital and copies of special resolutions, and such other resolutions and agreements required to be filed under Section 117 of the Act and a copy of the Register of Directors and notifications of any change therein.
<b>Special power of Directors</b>	134.	In furtherance of and without prejudice to the general powers conferred by or implied in Article 130 and other powers conferred by these Articles, and subject to the provisions of Sections 179 and 180 of the Act, that may become

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		applicable, it is hereby expressly declared that it shall be lawful for the Directors to carry out all or any of the objects set forth in the Memorandum of Association and to the following things.
<b>To acquire and dispose of property and rights</b>	135.	<p>a. To purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire at such price and generally on such terms and conditions as they think fit and to sell, let, exchange, or otherwise dispose of the property, privileges and undertakings of the Company upon such terms and conditions and for such consideration as they may think fit.</p> <p><b>To pay for property in debentures, etc.</b></p> <p>b. At their discretion to pay for any property, rights and privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures or other securities of the Company and any such shares may be issued either as fully paid-up or with such amount credited as paid-up, the sum as may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.</p> <p><b>To secure contracts by mortgages</b></p> <p>c. To secure the fulfillment of any contracts or agreements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such other manner as they think fit.</p> <p><b>To appoint officers, etc.</b></p> <p>d. To appoint and at their discretion remove, or suspend such agents, secretaries, officers, clerks and servants for permanent, temporary or special services as they may from time to time think fit and to determine their powers and duties and fix their powers and duties and fix their salaries or emoluments and to the required security in such instances and to such amount as they think fit.</p> <p>e. To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payments or satisfaction of any dues and of any claims or demands by or against the Company.</p> <p><b>To refer to arbitration</b></p> <p>f. To refer to, any claims or demands by or against the Company to arbitration and observe and perform the awards.</p> <p><b>To give receipt</b></p> <p>g. To make and give receipts, releases and other discharges for money payable to the Company and of the claims and demands of the Company.</p> <p><b>To act in matters of bankrupts and insolvents</b></p> <p>h. To act on behalf of the Company in all matters relating to bankrupts and insolvents.</p> <p><b>To give security by way of indemnity</b></p> <p>i. To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon.</p> <p><b>To give commission</b></p> <p>j. To give any person employed by the Company a commission on the profits of any particular business or transaction or a share in the general profits of the Company.</p> <p><b>To make contracts etc.</b></p> <p>k. To enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as they consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company.</p>



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		<p><b>To make bye-laws</b></p> <p>l. From time to time, make, vary and repeal bye-laws for the regulations of the business for the Company, its officers and servants.</p> <p><b>To set aside profits for provided fund</b></p> <p>m. Before recommending any dividends, to set-aside portions of the profits of the Company to form a fund to provide for such pensions, gratuities or compensations; or to create any provident fund or benefit fund in such or any other manner as the Directors may deem fit.</p> <p><b>To make and alter rules</b></p> <p>n. To make and alter rules and regulations concerning the time and manner of payments of the contributions of the employees and the Company respectively to any such fund and accrual, employment, suspension and forfeiture of the benefits of the said fund and the application and disposal thereof and otherwise in relation to the working and management of the said fund as the Directors shall from time to time think fit.</p> <p>o. And generally, at their absolute discretion, to do and perform every act and thing which they may consider necessary or expedient for the purpose of carrying on the business of the Company, excepting such acts and things as by Memorandum of Association of the Company or by these presents may stand prohibited.</p>
<b>Managing Director</b>	136.	<p>a. Subject to the provisions of Section 196 ,197, 2(94), 203 of the Act, the following provisions shall apply:</p> <p>b. The Board of Directors may appoint or re-appoint one or more of their body, not exceeding two, to be the Managing Director or Managing Directors of the Company for such period not exceeding 5 years as it may deem fit, subject to such approval of the Central Government as may be necessary in that behalf.</p> <p>c. The remuneration payable to a Managing Director shall be determined by the Board of Directors subject to the sanction of the Company in General Meeting and of the Central Government, if required.</p> <p>d. If at any time there are more than one Managing Director, each of the said Managing Directors may exercise individually all the powers and perform all the duties that a single Managing Director may be empowered to exercise or required to perform under the Companies Act or by these presents or by any Resolution of the Board of Directors and subject also to such restrictions or conditions as the Board may from time to time impose.</p> <p>e. The Board of Directors may at any time and from time to time designate any Managing Director as Deputy Managing Director or Joint Managing Director or by such other designation as it deems fit.</p> <p>f. Subject to the supervision, control and directions of the Board of Directors, the Managing Director/Managing Directors shall have the management of the whole of the business of the Company and of all its affairs and shall exercise all powers and perform all duties and in relation to the management of the affairs, except such powers and such duties as are required by Law or by these presents to be exercised or done by the Company in General Meeting or by the Board and also subject to such conditions and restrictions imposed by the Act or by these presents or by the Board of Directors. Without prejudice to the generality of the foregoing, the Managing Director/Managing Directors shall exercise all powers set out in Article 135 above except those which are by law or by these presents or by any resolution of the Board required to be exercised by the Board or by the Company in General Meeting.</p>
<b>Whole-time Director</b>	137.	<p>1. Subject to the provisions of the Act and subject to the approval of the Central Government, if any, required in that behalf, the Board may appoint one or more of its body, as Whole-time Director or Wholetime Directors on such designation and on such terms and conditions as it may deem fit. The Whole-time Directors shall perform such duties and exercise such powers as the Board may from time to time determine which shall exercise all such powers and perform all such duties subject to the control, supervision and directions of the Board and subject thereto the supervision</p>

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		<p>and directions of the Managing Director. The remuneration payable to the Whole-time Directors shall be determined by the Company in General Meeting, subject to the approval of the Central Government, if any, required in that behalf.</p> <p>2. A Whole-time Director shall (subject to the provisions of any contract between him and the Company) be subject to the same provisions as to resignation and removal as the other Directors, and he shall, ipso facto and immediately, cease to be Whole-time Director, if he ceases to hold the Office of Director from any cause except where he retires by rotation in accordance with the Articles at an Annual General Meeting and is re-elected as a Director at that Meeting.</p>
<b>Secretary</b>	138.	The Board shall have power to appoint a Secretary a person fit in its opinion for the said office, for such period and on such terms and conditions as regards remuneration and otherwise as it may determine. The Secretary shall have such powers and duties as may, from time to time, be delegated or entrusted to him by the Board.
<b>Powers as to commencement of business</b>	139.	Subject to the provisions of the Act, any branch or kind of business which by the Memorandum of Association of the Company or these presents is expressly or by implication authorised to be undertaken by the Company, may be undertaken by the Board at such time or times as it shall think fit and further may be suffered by it to be in abeyance whether such branch or kind of business may have been actually commenced or not so long as the Board may deem it expedient not to commence or proceed with such branch or kind of business.
<b>Delegation of power</b>	140.	Subject to Section 179 the Board may delegate all or any of its powers to any Director, jointly or severally or to any one Director at its discretion or to the Executive Director.
<b>BORROWING</b>	141.	<p>a. The Board may, from time to time, raise any money or any moneys or sums of money for the purpose of the Company; provided that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not, without the sanction of the Company at a General Meeting, exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set-apart for any specific purpose and in particular but subject to the provisions of Section 179 of the Act, the Board may, from time to time, at its discretion raise or borrow or secure the payment of any such sum or sums of money for the purpose of the Company, by the issue of debentures to members, perpetual or otherwise including debentures convertible into shares of this or any other company or perpetual annuities in security of any such money so borrowed, raised or received, mortgage, pledge or charge, the whole or any part of the property, assets, or revenue of the Company, present or future, including its uncalled capital by special assignment or otherwise or transfer or convey the same absolutely or entrust and give the lenders powers of sale and other powers as may be expedient and purchase, redeem or pay off any such security.</p> <p>Provided that every resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow as stated above shall specify the total amount upto which moneys may be borrowed by the Board of Directors, provided that subject to the provisions of clause next above, the Board may, from time to time, at its discretion, raise or borrow or secure the repayment of any sum or sums of money for the purpose of the Company as such time and in such manner and upon such terms and conditions in all respects as it thinks fit and in particular, by promissory notes or by opening current accounts, or by receiving deposits and advances, with or without security or by the issue of bonds, perpetual or redeemable debentures or debenture stock of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being or by mortgaging or charging or pledging any land, building, bond or other property and security of the Company</p>



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<b>Assignment of debentures</b>	142.	Such debentures, debenture stock, bonds or other securities may be made assignable, free from any equities between the Company and the person to whom the same may be issued.
<b>Terms of debenture issue</b>	143.	<p>a. Any such debenture, debenture stock, bond or other security may be issued at a discount, premium or otherwise, and with any special privilege as the redemption, surrender, drawing, allotment of shares of the Company, or otherwise, provided that debentures with the right to allotment or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.</p> <p>b. Any trust deed for securing of any debenture or debenture stock and or any mortgage deed and/or other bond for securing payment of moneys borrowed by or due by the Company and/or any contract or any agreement made by the Company with any person, firm, body corporate, Government or authority who may render or agree to render any financial assistance to the Company by way of loans advanced or by guaranteeing of any loan borrowed or other obligations of the Company or by subscription to the share capital of the Company or provide assistance in any other manner may provide for the appointment from time to time, by any such mortgagee, lender, trustee of or holders of debentures or contracting party as aforesaid, of one or more persons to be a Director or Directors of the Company. Such trust deed, mortgage deed, bond or contract may provide that the person appointing a Director as aforesaid may, from time to time, remove any Director so appointed by him and appoint any other person in his place and provide for filling up of any casual vacancy created by such person vacating office as such Director. Such power shall determine and terminate on the discharge or repayment of the respective mortgage, loan or debt or debenture or on the termination of such contract and any person so appointed as Director under mortgage or bond or debenture trust deed or under such contract shall cease to hold office as such Director on the discharge of the same. Such appointment and provision in such document as aforesaid shall be valid and effective as if contained in these presents.</p> <p>c. The Director or Directors so appointed by or under a mortgage deed or other bond or contract as aforesaid shall be called a Mortgage Director or Mortgage Directors and the Director if appointed as aforesaid under the provisions of a debenture trust deed shall be called "Debenture Director". The words "Mortgage" or "Debenture Director" shall mean the Mortgage Director for the time being in office. The Mortgage Director or Debenture Director shall not be required to hold any qualification shares and shall not be liable to retire by rotation or to be removed from office by the Company. Such mortgage deed or bond or trust deed or contract may contain such auxiliary provision as may be arranged between the Company and mortgagee lender, the trustee or contracting party, as the case may be, and all such provisions shall have effect notwithstanding any of the other provisions herein contained but subject to the provisions of the Act.</p> <p>d. The Directors appointed as Mortgage Director or Debenture Director or Corporate Director under the Article shall be deemed to be ex-officio Directors.</p> <p>e. The total number of ex-officio Directors, if any, so appointed under this Article together with the other ex-officio Directors, if any, appointment under any other provisions of these presents shall not at any time exceed one-third of the whole number of Directors for the time being.</p>
<b>Charge on uncalled capital</b>	144.	Any uncalled capital of the Company may be included in or charged by mortgage or other security.
<b>Subsequent assignees of uncalled capital</b>	145.	Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject such prior charge, and shall not be entitled, by notice to the shareholder or otherwise, to obtain priority over such prior charge.
<b>Charge in favour of Director of indemnity</b>	146.	If the Directors or any of them or any other person shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security over or

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		affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or other person so becoming liable as aforesaid from any loss in respect of such liability.
<b>Powers to be exercised by Board only at meeting</b>	147.	<p>a. Subject to the provisions of the Act, the Board shall exercise the following powers on behalf of the Company and the said power shall be exercised only by resolution passed at the meetings of the Board.</p> <p>(a) to make calls on shareholders in respect of money unpaid on their shares;</p> <p>(b) to authorise buy-back of securities under section 68;</p> <p>(c) to issue securities, including debentures, whether in or outside India;</p> <p>(d) to borrow monies;</p> <p>(e) to invest the funds of the company;</p> <p>(f) to grant loans or give guarantee or provide security in respect of loans;</p> <p>(g) to approve financial statement and the Board's report;</p> <p>(h) to diversify the business of the company;</p> <p>(i) to approve amalgamation, merger or reconstruction;</p> <p>(j) to take over a company or acquire a controlling or substantial stake in another company;</p> <p>(k) to make political contributions;</p> <p>(l) to appoint or remove key managerial personnel (KMP);</p> <p>(m) to take note of appointment(s) or removal(s) of one level below the Key Management Personnel;</p> <p>(n) to appoint internal auditors and secretarial auditor;</p> <p>(o) to take note of the disclosure of director's interest and shareholding;</p> <p>(p) to buy, sell investments held by the company (other than trade investments), constituting five percent or more of the paid up share capital and free reserves of the investee company;</p> <p>(q) to invite or accept or renew public deposits and related matters;</p> <p>(r) to review or change the terms and conditions of public deposit;</p> <p>(s) to approve quarterly, half yearly and annual financial statements or financial results as the case may be.</p> <p>(t) such other business as may be prescribed by the Act.</p> <p>b. The Board may by a meeting delegate to any Committee of the Board or to the Managing Director the powers specified in Sub-clauses, d, e and f above.</p> <p>c. Every resolution delegating the power set out in Sub-clause d shall specify the total amount outstanding at any one time up to which moneys may be borrowed by the said delegate.</p> <p>d. Every resolution delegating the power referred to in Sub-clause e shall specify the total amount upto which the funds may be invested and the nature of investments which may be made by the delegate.</p> <p>e. Every resolution delegating the power referred to in Sub-clause f above shall specify the total amount upto which loans may be made by the delegate, the purposes for which the loans may be made, and the maximum amount of loans that may be made for each such purpose in individual cases.</p>
<b>Register of mortgage to be kept</b>	148.	The Directors shall cause a proper register and charge creation documents to be kept in accordance with the provisions of the Companies Act, 2013 for all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the said Act, in regard to the registration of mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the said Act, in regard to the registration of mortgages and charges therein specified and otherwise and shall also duly comply with the requirements of the said Act as to keeping a copy of every instrument creating any mortgage or charge by the Company at the office.
<b>Register of holders of debentures</b>	149.	Every register of holders of debentures of the Company may be closed for any period not exceeding on the whole forty five days in any year, and not exceeding thirty days at any one time. Subject as the aforesaid, every such register shall be open to the inspection of registered holders of any such

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		debenture and of any member but the Company may in General Meeting impose any reasonable restriction so that at least two hours in every day, when such register is open, are appointed for inspection.
<b>Inspection of copies of and Register of Mortgages</b>	150.	The Company shall comply with the provisions of the Companies Act, 2013, as to allow inspection of copies kept at the Registered Office in pursuance of the said Act, and as to allowing inspection of the Register of charges to be kept at the office in pursuance of the said Act.
<b>Supplying copies of register of holder of debentures</b>	151.	The Company shall comply with the provisions of the Companies Act, 2013, as to supplying copies of any register of holders of debentures or any trust deed for securing any issue of debentures.
<b>Right of holders of debentures as to Financial Statements</b>	152.	Holders of debentures and any person from whom the Company has accepted any sum of money by way of deposit, shall on demand, be entitled to be furnished, free of cost, or for such sum as may be prescribed by the Government from time to time, with a copy of the Financial Statements of the Company and other reports attached or appended thereto.
<b>Minutes</b>	153.	<p>a. The Company shall comply with the requirements of Section 118 of the Act, in respect of the keeping of the minutes of all proceedings of every General Meeting and every meeting of the Board or any Committee of the Board.</p> <p>b. The Chairman of the meeting shall exclude at his absolute discretion such of the matters as are or could reasonably be regarded as defamatory of any person irrelevant or immaterial to the proceedings or detrimental to the interests of the Company.</p>
<b>Managing Director's power to be exercised severally</b>	154.	All the powers conferred on the Managing Director by these presents, or otherwise may, subject to any directions to the contrary by the Board of Directors, be exercised by any of them severally.
<b>MANAGER</b>	155.	Subject to the provisions of the Act, the Directors may appoint any person as Manager for such term not exceeding five years at a time at such remuneration and upon such conditions as they may think fit and any Manager so appointed may be removed by the Board.
<b>Common Seal</b>	156.	The Board shall provide a common seal of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof. The common seal shall be kept at the Registered Office of the Company and committed to the custody of the Directors.
<b>Affixture of Common Seal</b>	157.	The seal shall not be affixed to any instrument except by the authority of a resolution of the Board or Committee and unless the Board otherwise determines, every deed or other instrument to which the seal is required to be affixed shall, unless the same is executed by a duly constituted attorney for the Company, be signed by one Director and the Secretary in whose presence the seal shall have been affixed or such other person as may, from time to time, be authorised by the Board and provided nevertheless that any instrument bearing the seal of the Company issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority to issue the same provided also the counter signature of the Chairman or the Vice Chairman, which shall be sealed in the presence of any one Director and signed by him on behalf of the Company.
<b>DIVIDENDS AND RESERVES</b>	158.	<p><b>Rights to Dividend</b></p> <p>The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these presents and subject to the provisions of these presents as to the Reserve Fund, shall be divisible among the equity shareholders.</p>
<b>Declaration of Dividends</b>	159.	The Company in General Meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.
<b>What to be deemed net profits</b>	160.	The declarations of the Directors as to the amount of the net profits of the Company shall be conclusive.
<b>Interim Dividend</b>	161.	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.
<b>Dividends to be paid out of profits only</b>	162.	No dividend shall be payable except out of the profits of the year or any other undistributed profits except as provided by Section 123 of the Act.

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<b>Reserve Funds</b>	163.	<p>a. The Board may, before recommending any dividends, set aside out of the profits of the Company such sums as it thinks proper as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends and pending such application may, at the like discretion either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.</p> <p>b. The Board may also carry forward any profits which it may think prudent not to divide without setting them aside as Reserve.</p>
<b>Method of payment of dividend</b>	164.	<p>a. Subject to the rights of persons, if any, entitled to share 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.</p> <p>b. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of these regulations as paid on the share.</p> <p>c. c. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date, such shares shall rank for dividend accordingly.</p>
<b>Deduction of arrears</b>	165.	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 in relation to the shares of the Company or otherwise.
<b>Adjustment of dividend against call</b>	166.	Any General Meeting declaring a dividend or bonus may make a call on the members of such amounts as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and themselves, be set off against the call.
<b>Payment by cheque or warrant</b>	167.	<p>a. Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through post directly 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 in the Register of Members or to such person and to such address of the holder as the joint holders may in writing direct.</p> <p>b. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</p> <p>c. c. Every dividend or warrant or cheque shall be posted within thirty days from the date of declaration of the dividends.</p>
<b>Retention in certain cases</b>	168.	<p>The Directors may retain the dividends payable upon shares in respect of which any person is under the transmission clause entitled to become a member in respect thereof or shall duly transfer the same.</p> <p><b>Receipt of joint holders</b></p> <p>A). Where any instrument of transfer of shares has been delivered to the Company for registration on holders, the Transfer of such shares and the same has not been registered by the Company, it shall, and notwithstanding anything contained in any other provision of the Act:</p> <p>a) transfer the dividend in relation to such shares to the Special Account referred to in Sections 123 and 124 of the Act, unless the Company is authorised by the registered holder, of such shares in writing to pay such dividend to the transferee specified in such instrument of transfer, and</p> <p>b) Keep in abeyance in relation to such shares any offer of rights shares under Clause(a) of Sub-section (1) of Section 62 of the Act, and any issue of fully paid-up bonus shares in pursuance of Sub-section (3) of Section 123 of the Act”.</p>
<b>Deduction of arrears</b>	169.	Any one of two of the joint holders of a share may give effectual receipt for any dividend, bonus, or other money payable in respect of such share.

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<b>Notice of Dividends</b>	170.	Notice of any dividend that may have been declared shall be given to the person entitled to share therein in the manner mentioned in the Act.
<b>Dividend not to bear interest</b>	171.	No dividend shall bear interest against the Company.
<b>Unclaimed Dividend</b>	172.	No unclaimed dividends shall be forfeited. Unclaimed dividends shall be dealt with in accordance to the provisions of Sections 123 and 124 of the Companies Act, 2013.
<b>Transfer of share not to pass prior Dividend</b>	173.	Any transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.
<b>Capitalisation of Profits</b>	174.	<p>a) The Company in General Meeting, may on the recommendation of the Board, resolve:</p> <ol style="list-style-type: none"> <li>1. that the whole or any part of any amount standing to the credit of the Share Premium Account or the Capital Redemption Reserve Fund or any money, investment or other asset forming part of the undivided profits, including profits or surplus moneys arising from the realisation and (where permitted by law) from the appreciation in value of any Capital assets of the Company standing to the credit of the General Reserve, Reserve or any Reserve Fund or any amounts standing to the credit of the Profit and Loss Account or any other fund of the Company or in the hands of the Company and available for the distribution as dividend capitalised; and</li> <li>2. that such sum be accordingly set free for distribution in the manner specified in Sub-clause (2) amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportion.</li> </ol> <p>b) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in Subclause (3) either in or towards:</p> <ol style="list-style-type: none"> <li>1. paying up any amount for the time being unpaid on any share held by such members respectively;</li> <li>2. paying up in full unissued shares of the Company to be allotted and distributed and credited as fully paid-up to and amongst such members in the proportion aforesaid; or</li> <li>3. partly in the way specified in Sub-clause (i) and partly in that specified in Sub-clause (ii).</li> </ol> <p>c) A share premium account and a capital redemption reserve account may for the purpose of this regulation be applied only in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.</p> <p>d) The Board shall give effect to resolutions passed by the Company in pursuance of this Article.</p>
<b>Powers of Directors for declaration of Bonus</b>	175.	<p>a. Whenever such a resolution as aforesaid shall have been passed, the Board shall:</p> <ol style="list-style-type: none"> <li>1. make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issue or fully paid shares if any; and</li> <li>2. generally do all acts and things required to give effect thereto.</li> </ol> <p>b. The Board shall have full power:</p> <ol style="list-style-type: none"> <li>1. to make such provision by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit in the case of shares becoming distributable in fractions and also;</li> <li>2. 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 the profits resolved to be capitalised of the amounts or any part of the amounts remaining unpaid on the existing shares.</li> </ol> <p>c. Any agreement made under such authority shall be effective and binding on all such members.</p>



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<b>Books of account to be kept</b>	176.	<p>a. The Board shall cause proper books of accounts to be kept in respect of all sums of money received and expended by the Company and the matters in respect of which such receipts and expenditure take place, of all sales and purchases of goods by the Company, and of the assets and liabilities of the Company.</p> <p>b. All the aforesaid books shall give a fair and true view of the affairs of the Company or of its branch as the case may be, with respect to the matters aforesaid, and explain in transactions.</p> <p>c. The books of accounts shall be open to inspection by any Director during business hours.</p>
<b>Where books of account to be kept</b>	177.	The books of account shall be kept at the Registered Office or at such other place as the Board thinks fit.
<b>Inspection by members</b>	178.	The Board shall, from time to time, determine whether and to what extent and at what time and under what conditions or regulations the accounts and books and documents of the Company or any of them shall be open to the inspection of the members and no member (not being a Director) shall have any right of inspection any account or book or document of the Company except as conferred by statute or authorised by the Board or by a resolution of the Company in General Meeting.
<b>Statement of account to be furnished to General Meeting</b>	179.	The Board shall lay before such Annual General Meeting, financial statements made up as at the end of the financial year which shall be a date which shall not precede the day of the meeting by more than six months or such extension of time as shall have been granted by the Registrar under the provisions of the Act.
<b>Financial Statements</b>	180.	Subject to the provisions of Section 129, 133 of the Act, every financial statements of the Company shall be in the forms set out in Parts I and II respectively of Schedule III of the Act, or as near thereto as circumstances admit.
<b>Authentication of Financial Statements</b>	181.	<p>a. Subject to Section 134 of the Act, every financial statements of the Company shall be signed on behalf of the Board by not less than two Directors.</p> <p>b. The financial statements shall be approved by the Board before they are signed on behalf of the Board in accordance with the provisions of this Article and before they are submitted to the Auditors for their report thereon.</p>
<b>Auditors Report to be annexed</b>	182.	The Auditor's Report shall be attached to the financial statements.
<b>Board's Report to be attached to Financial Statements</b>	183.	<p>a. Every financial statement laid before the Company in General Meeting shall have attached to it a report by the Board with respect to the state of the Company's affairs, the amounts, if any, which it proposes to carry to any reserve either in such Balance Sheet or in a subsequent Balance Sheet and the amount, if any, which it recommends to be paid by way of dividend.</p> <p>b. The report shall, so far as it is material for the appreciation of the state of the Company's affairs by its members and will not in the Board's opinion be harmful to its business or that of any of its subsidiaries, deal with any change which has occurred during the financial year in the nature of the Company's business or that of the Company's subsidiaries and generally in the classes of business in which the Company has an interest and material changes and commitments, if any, affecting the financial position of the Company which has occurred between the end of the financial year of the Company to which the Balance Sheet relates and the date of the report.</p> <p>c. The Board shall also give the fullest information and explanation in its report or in case falling under the provision of Section 134 of the Act in an addendum to that Report on every reservation, qualification or adverse remark contained in the Auditor's Report.</p> <p>d. The Board's Report and addendum, if any, thereto shall be signed by its Chairman if he is authorised in that behalf by the Board; and where he is</p>

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		<p>not authorised, shall be signed by such number of Directors as is required to sign the Financial Statements of the Company under Article 181.</p> <p>e. The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of Sub-clauses (a) to (e) of this Article are complied with.</p>
<b>Right of member to copies of Financial Statements</b>	184.	The Company shall comply with the requirements of Section 136.
<b>Annual Returns</b>	185.	The Company shall make the requisite annual return in accordance with Section 92 of the Act.
<b>AUDIT</b>	186.	<p><b>Accounts to be audited</b></p> <p>a. Every Financial Statement shall be audited by one or more Auditors to be appointed as hereinafter mentioned.</p> <p>b. Subject to provisions of the Act, The Company at the Annual General Meeting shall appoint an Auditor or Firm of Auditors to hold office from the conclusion of that meeting until the conclusion of the fifth Annual General Meeting and shall, within seven days of the appointment, give intimation thereof to every Auditor so appointed unless he is a retiring Auditor.</p> <p>c. At every Annual General Meeting, reappointment of such auditor shall be ratified by the shareholders.</p> <p>d. Where at an Annual General Meeting no Auditors are appointed or reappointed, the Central Government may appoint a person to fill the vacancy.</p> <p>e. The Company shall, within seven days of the Central Government's power under Sub-clause (d) becoming exercisable, give notice of that fact to that Government.</p> <p>f. 1. The first Auditor or Auditors of the Company shall be appointed by the Board of Directors within one month of the date of registration of the Company and the Auditor or Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting.  Provided that the Company may at a General Meeting remove any such Auditor or all or any of such Auditors and appoint in his or their places any other person or persons who have been nominated for appointment by any such member of the Company and of whose nomination notice has been given to the members of the Company, not less than 14 days before the date of the meeting; and  2. If the Board fails to exercise its power under this Sub-clause, the Company in General Meeting may appoint the first Auditor or Auditors.</p> <p>g. The Directors may fill any casual vacancy in the office of an Auditor, but while any such vacancy continues, the remaining Auditor or Auditors, if any, may act, but where such a vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in General Meeting.</p> <p>h. A person other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless Special Notice of a resolution for appointment of that person to the office of Auditor has been given by a member to the Company not less than fourteen days before the meeting in accordance with Section 115 of the Act and the Company shall send a copy of any such notice to the retiring Auditor and shall give notice thereof to the members in accordance with Section 190 of the Act and all other provisions of Section 140 of the Act shall apply in the matter. The provisions of this Sub-clause shall also apply to a resolution that retiring Auditor shall be reappointed.</p> <p>i. The persons qualified for appointment as Auditors shall be only those referred to in Section 141 of the Act.</p> <p>j. Subject to the provisions of Section 146 of the Act, the Auditor of the company shall attend general meetings of the company.</p>
<b>Audit of Branch Offices</b>	187.	The Company shall comply with the provisions of Section 143 of the Act in relation to the audit of the accounts of Branch Offices of the Company.



Title of Articles	Article Number	Content
<b>Remuneration of Auditors</b>	188.	The remuneration of the Auditors shall be fixed by the Company in General Meeting except that the remuneration of any Auditor appointed to fill and casual vacancy may be fixed by the Board.
<b>Rights and duties of Auditors</b>	189.	<p>(a) Every Auditor of the Company shall have a right of access at all times to the books of accounts and vouchers of the Company and shall be entitled to require from the Directors and officers of the Company such information and explanations as may be necessary for the performance of his duties as Auditor.</p> <p>(b) All notices of, and other communications relating to any General Meeting of a Company which any member of the Company is entitled to have sent to him shall also be forwarded to the Auditor, and the Auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor.</p> <p>(c) The Auditor shall make a report to the members of the Company on the accounts examined by him and on Financial statements and on every other document declared by this Act to be part of or annexed to the Financial statements, which are laid before the Company in General Meeting during his tenure of office, and the report shall state whether, in his opinion and to the best of his information and according to explanations given to him, the said accounts give the information required by this Act in the manner so required and give a true and fair view:</p> <ol style="list-style-type: none"> <li>1. in the case of the Balance Sheet, of the state of affairs as at the end of the financial year and</li> <li>2. in the case of the Statement of Profit and Loss, of the profit or loss for its financial year.</li> </ol> <p>(d) The Auditor's Report shall also state:</p> <ol style="list-style-type: none"> <li>(a) whether he has sought and obtained all the information and explanations which to the best of his knowledge and belief were necessary for the purpose of his audit and if not, the details thereof and the effect of such information on the financial statements;</li> <li>(b) whether, in his opinion, proper books of account as required by law have been kept by the company so far as appears from his examination of those books and proper returns adequate for the purposes of his audit have been received from branches not visited by him;</li> <li>(c) whether the report on the accounts of any branch office of the company audited under sub-section (8) by a person other than the company's auditor has been sent to him under the proviso to that sub-section and the manner in which he has dealt with it in preparing his report;</li> <li>(d) whether the company's balance sheet and profit and loss account dealt with in the report are in agreement with the books of account and returns;</li> <li>(e) whether, in his opinion, the financial statements comply with the accounting standards;</li> <li>(f) the observations or comments of the auditors on financial transactions or matters which have any adverse effect on the functioning of the company;</li> <li>(g) whether any director is disqualified from being appointed as a director under sub-section (2) of section 164;</li> <li>(h) any qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith;</li> <li>(i) whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls;</li> <li>(j) whether the company has disclosed the impact, if any, of pending litigations on its financial position in its financial statement;</li> <li>(k) whether the company has made provision, as required under any law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts;</li> </ol>

Title of Articles	Article Number	Content
		<p>(l) whether there has been any delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.</p> <p>(e) Where any of the matters referred to in Clauses (i) and (ii) of Sub-section (2) of Section 143 of the Act or in Clauses (a), (b) and (c) of Sub-section (3) of Section 143 of the Act or Sub-clause (4) (a) and (b) and (c) hereof is answered in the negative or with a qualification, the Auditor's Report shall state the reason for such answer.</p> <p>(f) The Auditor's Report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company.</p>
<b>Accounts whether audited and approved to be conclusive</b>	190.	Every account of the Company when audited and approved by a General Meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period, the accounts shall forthwith be corrected, and henceforth be conclusive.
<b>Service of documents on the Company</b>	191.	A document may be served on the Company or any officer thereof by sending it to the Company or officer at the Registered Office of the Company by Registered Post, or by leaving it at the Registered Office or in electronic mode in accordance with the provisions of the act.
<b>How documents to be served to members</b>	192.	<p>a) A document (which expression for this purpose shall be deemed to include and shall include any summons, notice, requisition, process, order judgement or any other document in relation to or the winding up of the Company) may be served personally or by sending it by post to him to his registered address or in electronic mode in accordance with the provisions of the act., or (if he has no registered address in India) to the address, if any, within India supplied by him to the Company for the giving of notices to him.</p> <p>b) All notices shall, with respect to any registered shares to which persons are entitled jointly, be given to whichever of such persons is named first in the Register, and notice so given shall be sufficient notice to all the holders of such shares.</p> <p>c) Where a document is sent by post:</p> <p>i. i.service thereof shall be deemed to be effected by properly addressing prepaying and posting a letter containing the notice, provided that where a member has intimated to the Company in advance that documents should be sent to him under a Certificate of Posting or by Registered Post with or without acknowledgment due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the documents shall not be deemed to be effected unless it is sent in the manner intimated by the member, and such service shall be deemed to have been effected;</p> <p>a. a.in the case of a notice of a meeting, at the expiration of forty eight hours after the letter containing the notice is posted, and</p> <p>b. b.in any other case, at the time at which the letter should be delivered in the ordinary course of post.</p>
<b>Members to notify address in India</b>	193.	Each registered holder of share(s) shall, from time to time, notify in writing to the Company some place in India to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence.
<b>Service on members having no registered address in India</b>	194.	If a member has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him, a document advertised in a newspaper circulating in the neighbourhood of the Registered Office of the Company shall be deemed to be duly served on him on the day on which the advertisement appears.
<b>Service on persons acquiring shares on death or insolvency of members</b>	195.	A document may be served by the Company to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of deceased or assignees of the insolvent or by any like descriptions at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled or (until such an address has been so supplied)

Title of Articles	Article Number	Content
		by serving the document in any manner in which the same might have been served if the death or insolvency had not occurred.
<b>Notice valid though member deceased</b>	196.	Any notice of document delivered or sent by post or left at the registered address of any member in pursuance of these presents shall, notwithstanding that such member by then deceased and whether or not the Company has notice of his decease, be deemed to have been duly served in respect of any registered share whether held solely or jointly with other persons by such member until some other person be registered in his stead as the holder or joint holder thereof and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his or on her heirs, executors or administrators, and all other persons, if any, jointly interested with him or her in any such share.
<b>Persons entitled to Notice of General Meeting</b>	197.	Subject to the provisions of Section 101 the Act and these Articles, notice of General Meeting shall be given to; <ul style="list-style-type: none"> <li>a) every member of the company, legal representative of any deceased member or the assignee of an insolvent member;</li> <li>b) the auditor or auditors of the company; and</li> <li>c) every director of the company.</li> </ul> Any accidental omission to give notice to, or the non-receipt of such notice by, any member or other person who is entitled to such notice for any meeting shall not invalidate the proceedings of the meeting.
<b>Advertisement</b>	198.	<ul style="list-style-type: none"> <li>a. Subject to the provisions of the Act, any document required to be served on or sent to the members, or any of them by the Company and not expressly provided for by these presents, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the district where the Registered Office of the Company is situated.</li> <li>b. Every person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which previously to his name and address being entered in the Register shall be duly given to the person from whom he derived his title to such share or stock.</li> </ul>
<b>Transference, etc. bound by prior notices</b>	199.	Every person, who by the operation of law, transfer, or other means whatsoever, shall become entitled to any share, shall be bound by every document in respect of such share which previously to his name and address being entered in the Register, shall have been duly served on or sent to the person from whom he derives his title to the share.
<b>How notice to be signed</b>	200.	Any notice to be given by the Company shall be signed by the Managing Director or by such Director or officer as the Directors may appoint. The signature to any notice to be given by the Company may be written or printed or lithographed.
<b>Authentication of document and proceeding</b>	201.	Save as otherwise expressly provided in the Act or these Articles, a document or proceeding requiring authentication by the Company may be signed by a Director, or the Managing Director or an authorised officer of the Company and need not be under its seal.
<b>Winding up</b>	202.	Subject to the provisions of the Act as to preferential payments, the assets of a Company shall, on its winding-up be applied in satisfaction of its liabilities pari-passu and, subject to such application, shall, unless the articles otherwise provide, be distributed among the members according to their rights and interests in the Company.
<b>Division of assets of the Company in specie among members</b>	203.	If the Company shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of a Special Resolution, divide among the contributories, in specie or kind, and part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them, as the liquidators with the like sanction shall think fit. In case any shares, to be divided as aforesaid involves a liability to calls or otherwise, any person entitled under such division to any of the said shares may, within ten days after the passing of the Special Resolution by notice in writing, direct the liquidators to sell his

Title of Articles	Article Number	Content
<b>INDEMNITY AND RESPONSIBILITY</b>	204.	<p>proportion and pay him the net proceeds, and the liquidators shall, if practicable, act accordingly.</p> <p><b>Directors' and others' right to indemnity</b></p> <p>a. Subject to the provisions of Section 197 of the Act every Director, Manager, Secretary and other officer or employee of the Company shall be indemnified by the Company against, and it shall be the duty of the Directors out of the funds of the Company to pay all costs, losses, and expenses (including travelling expenses) which Service of documents on the Company any such Director, officer or employee may incur or becomes liable to by reason of any contract entered into or act or deed done by him or any other way in the discharge of his duties, as such Director, officer or employee.</p> <p>b. Subject as aforesaid, every Director, Manager, Secretary, or other officer/employee of the Company shall be indemnified against any liability, incurred by them or him in defending any proceeding whether civil or criminal in which judgement is given in their or his favour or in which he is acquitted or discharged or in connection with any application under Section 463 of the Act in which relief is given to him by the Court and without prejudice to the generality of the foregoing, it is hereby expressly declared that the Company shall pay and bear all fees and other expenses incurred or incurable by or in respect of any Director for filing any return, paper or document with the Registrar of Companies, or complying with any of the provisions of the Act in respect of or by reason of his office as a Director or other officer of the Company.</p>
	205.	<p>Subject to the provisions of Section 197 of the Act, no Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer, or for joining in any receipt or other act for conformity for any loss or expenses happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for and on behalf of the Company, or for the insufficiency or deficiency of title to any property acquired by order of the Directors for and on behalf of the Company or for the insufficiency or deficiency of any money invested, or for any loss or damages arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation with whom any moneys, securities or effects shall be entrusted or deposited or for any loss occasioned by any error of judgement or oversight on his part of for any loss or damage or misfortune whatever, which shall happen in the execution of the duties of his office or in relation thereto unless the same happens through his own act or default.</p>
<b>SECRECY CLAUSE</b>	206.	<p>a. No member shall be entitled to visit or inspect the Company's works without the permission of the Directors or Managing Director or to require discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process or which may relate to the conduct of the business of the Company and which, in the opinion of the Directors, will be inexpedient in the interests of the Company to communicate to the public.</p> <p>b. Every Director, Managing Director, Manager, Secretary, Auditor, Trustee, Members of a Committee, Officers, Servant, Agent, Accountant or other person employed in the business of the Company, shall, if so required by the Directors before entering upon his duties, or at any time during his term of office sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company and the state of accounts and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of duties except when required so to do by the Board or by any General Meeting or by a Court of Law or by the persons to whom such matters relate and except so far as may be necessary, in order to comply with any of the provisions contained in these Articles.</p>

Title of Articles	Article Number	Content
<b>REGISTERS, INSPECTION AND COPIES THEREOF</b>	207.	<p>a. Any Director or Member or person can inspect the statutory registers maintained by the company, which may be available for inspection of such Director or Member or person under provisions of the act by the company, provided he gives fifteen days notice to the company about his intention to do so.</p> <p>b. Any, Director or Member or person can take copies of such registers of the company by paying ₹ 10 per page to the company. The company will take steps to provide the copies of registers to such person within Fifteen days of receipt of money.</p>
<b>GENERAL AUTHORITY</b>	208.	Wherever in the applicable provisions under the Act, it has been provided that, any Company shall have any right, authority or that such Company could carry out any transaction only if the Company is authorised by its Articles, this regulation hereby authorises and empowers the Company to have such right, privilege or authority and to carry out such transaction as have been permitted by the Act without there being any specific regulation or clause in that behalf in this articles.

## SECTION X – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Draft Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of this Draft Prospectus, will be delivered to the ROC for registration of this Draft Prospectus and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at Block A, 407 - 4th Floor, Dev Aurum, Anand Nagar Cross Road, Prahladnagar Road, Ahmedabad – 380 015, Gujarat from date of filing the Prospectus with ROC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

#### A. MATERIAL CONTRACTS

1. Memorandum of understanding dated June 30, 2018 between our Company and the Lead Manager.
2. Agreement dated June 5, 2018 between our Company and the Registrar to the Issue.
3. Underwriting Agreement dated June 30, 2018 between our Company, the Lead Manager, and Underwriter.
4. Market Making Agreement dated June 30, 2018 between our Company, Lead Manager and Market Maker.
5. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated July 23, 2018.
6. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated July 19, 2018.
7. Banker's to the Issue Agreement dated [●] between our Company, the Lead Manager, Bankers to the Issue and Refund Banker and the Registrar to the Issue.

#### B. MATERIAL DOCUMENTS

1. Certified true copy of the Memorandum and Articles of Association of our Company including certificates of incorporation.
2. Board Resolution dated May 28, 2018 and Special Resolution passed pursuant to Section 62(1)(C) of the Companies Act, 2013 at the EoGM by the shareholders of our Company held on June 4, 2018.
3. Statement of Tax Benefits dated June 12, 2018 issued by our Statutory Auditors M/s. Philip Fernandes & Co., Chartered Accountants.
4. Copy of Restated Audit report from the peer review certified auditor – M/s. Mistry & Shah, Chartered Accountants dated July 25, 2018 included in the Draft Prospectus and Re-audited Financial Statement for the financial year ended on March 31, 2018.
5. Copy of Certificate from M/s. Philip Fernandes & Co., Chartered Accountants dated July 26, 2018, regarding the source and deployment of funds up to July 25, 2018 towards the objects of the offer.
6. Copy of Certificate from M/s. Philip Fernandes & Co., Chartered Accountants dated July 26, 2018, regarding the Source of Minimum Capital Contribution by Promoters.
7. Copy of Financial Statement for the financial year ended on March 31, 2018 and copies of Annual reports of the Company for the years ended on March 31,; 2017, 2016, 2015, 2014 and 2013.
8. Consent of Promoter, Consents of Directors, Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditors, Peer review Auditor, Legal Advisor to the Issue, Bankers to our Company, [●], Lead Manager to the Issue and Underwriter, Registrar to the Issue, Market Maker to include their names in the Draft Prospectus to act in their respective capacities.
9. Due Diligence Certificate from Lead Manager dated August 1, 2018 addressing BSE.
10. Copy of Board Resolutions and Shareholders' Resolutions for appointment and fixing of remunerations of Mr. Rakesh Vallabhshai Swadia as Chairman cum Managing Director; Mr. Devarshibhai Rakeshbhai Swadia as Whole-Time Director and their respective Agreements.

11. Copy of In-principle approval letter dated [●] from the BSE Limited.

Any of the contracts or documents mentioned in the Draft Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, with the consent of shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.



## SECTION XI

### DECLARATION

We, the undersigned, hereby certify and 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 issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 1956 / Companies Act, 2013 (to the extent notified), the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued, as the case may be. We further certify that all statements in this Draft Prospectus are true and correct.

#### SIGNED BY THE DIRECTORS OF THE COMPANY:

Name	Designation	Signature
Mr. Rakesh Swadia	Chairman Cum Managing Director	---- sd ---
Mr. Devarshibhai Swadia	Whole-Time Director	---- sd ----
Mrs. Nitaben Swadia	Non-Executive Director	---- sd ----
Mr. Jayanta Kumar Pani	Additional (Independent) Director	---- sd ----
Mr. Kunal Sudhirbhai Shah	Additional (Independent) Director	---- sd ----

#### SIGNED BY:

Name	Designation	Signature
Mr. Ujjal Dutta	Chief Financial Officer	---- sd ----
Mrs. Falguni Patel	Company Secretary & Compliance Officer	---- sd ----

**Place:** Ahmedabad

**Date:** August 1, 2018

**FORMAT FOR DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY BEELINE BROKING LIMITED SHALL BE READ AS UNDER:**

**TABLE 1**

Sr. No.	Issue Name	Issue Size (₹ in Cr.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 30 <sup>th</sup> Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 90 <sup>th</sup> Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 180 <sup>th</sup> Calendar Days from Listing
-	-	-	-	-	-	-	-	-

**SUMMARY STATEMENT OF DISCLOSURE**

**TABLE 2**

Financial Year	Total No. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPO trading at discount as on 30 <sup>th</sup> calendar day from listing date			Nos. of IPO trading at premium as on 30 <sup>th</sup> calendar day from listing date			Nos. of IPO trading at discount as on 180 <sup>th</sup> calendar day from listing date			Nos. of IPO trading at premium as on 180 <sup>th</sup> calendar day from listing date		
			Over 50%	Betw een 25-50%	Less than 25%	Over 50%	Betw een 25-50%	Less than 25%	Over 50%	Betw een 25-50%	Less than 25%	Over 50%	Betw een 25-50%	Less than 25%
-	-	-	-	-	-	-	-	-	-	-	-	-	-	