



## SUICH INDUSTRIES LIMITED

Our Company was originally incorporated as “Delhi Fone N Batteries Private Limited” at Delhi, as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated July 17, 2008 issued by the Assistant Registrar of Companies, National Capital Territory of Delhi and Haryana bearing Corporate Identification Number U51506DL2008PTC181023. Subsequently, pursuant to a special resolution passed by the members of our Company in the Extra-ordinary General Meeting held on October 11, 2012, the name of our Company was changed to “Suich India Private Limited” and a Fresh Certificate of Incorporation, consequent upon change of name, dated October 15, 2012 was issued by Registrar of Companies, National Capital Territory of Delhi and Haryana. Further, pursuant to a special resolution passed by the members of our Company at the Extra-ordinary General Meeting held on December 06, 2012, the name of our Company was further changed to “Suich Industries Private Limited” and a Fresh Certificate of Incorporation, consequent upon change of name, dated December 12, 2012 was issued by Registrar of Companies, National Capital Territory of Delhi and Haryana. Subsequently, our Company was converted into a Public Limited Company pursuant to special resolution passed at in Extra-ordinary General Meeting of our Company held on February 06, 2018 and the name of our Company was changed to “Suich Industries Limited”. A fresh Certificate of Incorporation consequent upon conversion from Private Limited Company to Public Limited Company dated February 21, 2018 was issued by the Registrar of Companies, Delhi. The Corporate Identification Number of our Company is U51506DL2008PLC181023.

**Registered Office:** Plot No - 68, 3rd Floor, Block No. 5 W.E.A, Naiwala, Karol Bagh New Delhi 110005 India;

**Tel. No.:** 011-45607111; **E-mail:** [info@suichgroup.com](mailto:info@suichgroup.com); **Website:** [www.suichgroup.com](http://www.suichgroup.com);

**Contact Person:** Anuj Kumar Choudhary, Company Secretary and Compliance officer;

**PROMOTERS OF OUR COMPANY:** GUNNIT SINGH ALLAGH AND SANCHIT SINGH

### THE ISSUE

**INITIAL PUBLIC OFFER OF UPTO 41,15,200\* EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (“EQUITY SHARES”) OF SUICH INDUSTRIES LIMITED (“COMPANY” OR “ISSUER”) FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) AGGREGATING UPTO ₹ [●] \*\* LAKHS (THE “ISSUE”). THE ISSUE INCLUDES A RESERVATION OF UPTO 2,08,000 EQUITY SHARES OF FACE VALUE ₹ 10/- EACH AT A PRICE OF ₹ [●] PER EQUITY SHARE AGGREGATING ₹ [●] LAKHS FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. NET ISSUE OF UPTO 39,07,200 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE, AGGREGATING ₹ [●] LAKHS IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 27.00% AND 25.63% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER (“BRLM”) AND WILL BE ADVERTISED IN ALL EDITIONS OF THE ENGLISH NATIONAL NEWSPAPER, BUSINESS STANDARD, ALL EDITIONS OF THE HINDI NATIONAL NEWSPAPER, BUSINESS STANDARD AND THE REGIONAL NEWSPAPER NAYA INDIA, (HINDI BEING THE LOCAL LANGUAGE OF NEW DELHI, WHERE OUR REGISTERED OFFICE IS SITUATED), EACH WITH WIDE CIRCULATION, AT LEAST 2 (TWO) WORKING DAYS PRIOR TO THE BID / ISSUE OPENING DATE WITH THE RELEVANT FINANCIAL RATIOS CALCULATED AT THE FLOOR PRICE AND THE CAP PRICE AND SHALL BE MADE AVAILABLE TO THE BSE LIMITED REFERRED TO AS THE “STOCK EXCHANGE” FOR THE PURPOSE OF UPLOADING ON ITS WEBSITE.

IN CASE OF ANY REVISIONS IN THE PRICE BAND OR FORCE MAJEURE, BANKING STRIKE OR SIMILAR CIRCUMSTANCES, THE ISSUER MAY, FOR REASONS TO BE RECORDED IN WRITING, MAY EXTEND THE BID / ISSUE PERIOD NOT EXCEEDING 10 WORKING DAYS. ANY REVISION IN THE PRICE BAND AND THE REVISED BID / ISSUE PERIOD, WILL BE WIDELY DISSEMINATED BY NOTIFICATION TO THE STOCK EXCHANGE, BY ISSUING A PRESS RELEASE, AND ALSO BY INDICATING THE CHANGE ON THE WEBSITE OF THE BRLM AND THE TERMINALS OF THE SYNDICATE MEMBER(S).

In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) the Issue is being made for at least 25% of the post- issue paid-up Equity Share capital of our Company. The Issue is being made through the Book Building Process, in compliance with Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “SEBI ICDR Regulations”) and allocation in the net issue to the public will be made in terms of regulation 253 of the SEBI (ICDR) Regulations, as amended. In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all investors shall participate in this Issue mandatorily through the Applications Supported by Blocked Amount (“ASBA”) process by providing details of their respective bank accounts which will be blocked by SCSBs. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI ID in the Bid Cum Application Form which is linked from Bank Account of the investor. For details, see “Issue Procedure” on page 195 of this Red Herring Prospectus.

### RISK IN RELATION TO FIRST ISSUE

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10 each. The Issue Price (determined and justified by our Company in consultation with the BRLM as stated in “Basis for Issue Price” on page 78 of this RHP) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed on SME Platform of BSE Limited. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

### GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the Red Herring Prospectus. Specific attention of the investors is invited to the section “Risk Factors” beginning on page 23 of this Red Herring Prospectus.


### COMPANY’S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring 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 Red Herring 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 Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.


### LISTING

The Equity Shares of our Company offered through this Red Herring Prospectus are proposed to be listed on the SME Platform of BSE Limited (“BSE SME”). In terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, our Company has received an In-principle approval letter dated April 12, 2019 from BSE Limited for using its name in the Offer document for listing of our shares on the BSE SME. For the purpose of this Issue, BSE Limited shall be the Designated Stock Exchange.

### BOOK RUNNING LEAD MANAGER

  
**PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED**  
406-408, Keshava Premises, Behind Family Court,  
Bandra Kurla Complex, Bandra East, Mumbai – 400 051,  
Maharashtra, India  
**Tel:** +91-22 6194 6700  
**Fax:** +91-22 2659 8690  
**Website:** [www.pantomathgroup.com](http://www.pantomathgroup.com)  
**Email:** [ipo@pantomathgroup.com](mailto:ipo@pantomathgroup.com)  
**Investor Grievance Id:** [ipo@pantomathgroup.com](mailto:ipo@pantomathgroup.com)  
**Contact Person:** Hardik Bhuta  
**SEBI Registration No:** INM000012110

### REGISTRAR TO THE ISSUE

  
**LINK INTIME INDIA PRIVATE LIMITED**  
C-101, 1<sup>st</sup> Floor, 247 Park, L.B.S. Marg, Vikhroli (West),  
Mumbai – 400 083, Maharashtra , India  
**Tel:** +91 22 4918 6200  
**Fax:** +91 22 4918 6195  
**Website:** [www.linkintime.co.in](http://www.linkintime.co.in)  
**Email:** [suich.ipo@linkintime.co.in](mailto:suich.ipo@linkintime.co.in)  
**Investor Grievance Id:** [suich.ipo@linkintime.co.in](mailto:suich.ipo@linkintime.co.in)  
**Contact Person:** Shanti Gopalkrishnan  
**SEBI Registration Number:** INR000004058

### ISSUEPROGRAMME

**BID / ISSUE OPENS ON : THURSDAY, MAY 30, 2019**

**BID / ISSUE CLOSES ON: TUESDAY, JUNE 04, 2019**

\*Number of shares may need to be adjusted for lot size upon determination of Issue Price.

\*\*Subject to finalization of basis of Allotment.

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

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

**SECTION I: GENERAL**  
**DEFINITIONS AND ABBREVIATIONS**

Unless the context otherwise indicates, requires or implies, the following terms shall have the following meanings in this RHP. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments, modifications or reenactments notified thereto.

Notwithstanding the foregoing, terms in “Main Provisions of the Articles of Association”, “Statement of Special Tax Benefits”, “Industry Overview”, “Key Industry Regulations and Policies”, “Financial Statements”, Outstanding Litigation and Other Material Developments”, will have the meaning ascribed to such terms in these respective Section I.

Term	Description
“Suich Industries Limited” or “Suich”, or “the Company”, or “our Company” or “we”, “us”, “our”, or “Issuer” or the “Issuer Company”	Unless the context otherwise requires, refers to Suich Industries Limited, a public limited Company incorporated under the Companies Act, 1956 and having its registered office at Plot no – 68, 3rd Floor, Block no. 5 W.E.A, Naiwala, Karol Bagh New Delhi- 110005 India.
“We”, “our”, “us” or “Group”	Unless the context otherwise indicates or implies, refers to our Company together with its subsidiaries.

**COMPANY RELATED TERMS**

Term	Description
AOA/Articles / Articles of Association	Articles of Association of Suich Industries Limited, as amended from time to time.
Audit Committee	The committee of the Board of Directors constituted as the Company’s Audit Committee in accordance with Section 177 of the Companies Act, 2013 and rules made thereunder For details, please refer to the section titled “Our Management” on page 128 of this Red Herring Prospectus.
Banker to the Company	Such banks which are disclosed as Bankers to the Company in the chapter titled “General Information” on page 48 of this Red Herring Prospectus.
Board of Directors / the Board / Our Board / Directors	The Board of Directors of our Company, including all duly constituted Committees thereof.
Chief Financial Officer / CFO	The Chief Financial Officer of our Company being Rajbir Kaushik.
CIN	Corporate Identification Number of our Company U51506DL2008PLC181023
Company Secretary and Compliance Officer / (CS)	The Company Secretary and Compliance Officer of our Company being Anuj Kumar Choudhary.
CSR Committee	The committee of Board of Directors re-constituted as the Company’s Corporate Social Responsibility Committee in accordance with Section 135 of the Companies Act, 2013 vide Board Resolution dated September 24, 2018
Equity Shares/Shares	The equity shares of our Company of a face value of ₹10/- each unless otherwise specified in the context thereof
Equity Shareholders/Shareholders	The holders of the Equity Shares of the Company
Group Companies/Entities	Such companies as are included in the chapter titled “Our Group Companies” beginning on page 144of this Red Herring Prospectus.
Independent Director	A non-executive, Independent Director as per the Companies Act, 2013 and the Listing Regulations
ISIN	International Securities Identification Number. In this case being INE00CU01013
Key Management Personnel / KMP	Key management personnel of our Company in terms of Section 2(51) of the Companies Act, 2013 and Regulation 2(1)(bb) of the SEBI (ICDR) Regulations. and as identified in chapter titled “Our Management” on page 128 of this Red Herring Prospectus
MD or Managing Director	The managing director of our Company being Gunnit Singh Allagh

<b>Term</b>	<b>Description</b>
MoA/ Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time
Materiality Policy	The policy adopted by our Board on March 05, 2019 for identification of Group Companies, material outstanding litigation and material dues outstanding to creditors in respect of our Company, pursuant to the disclosure requirements under the SEBI ICDR Regulations.
Nomination & Remuneration Committee	The committee of the Board of Directors constituted as the Company's Nomination & Remuneration Committee in accordance with Section 178(1) of the Companies Act, 2013 and rules made thereunder vide Board Resolution dated April 23, 2018. For details, please refer to the section titled "Our Management" on page 128 of this Red Herring Prospectus.
Promoter(s)	Promoters of our company being Gunnit Singh Allagh and Sanchit Allagh.
Promoter Group	Persons and entities constituting the promoter group of our Company, pursuant to Regulation 2(1)(pp) of the SEBI (ICDR) Regulations and as enlisted in the chapter titled "Our Promoters and Promoter Group" beginning on page 141 of this RHP.
Registrar of Companies/ RoC	Office of Registrar of Companies, Delhi and Haryana situated at 4 <sup>th</sup> Floor, OFCI Tower, 61, Nehru Place, New Delhi-110019, India
Registered Office	The registered office of our Company situated at Plot no – 68, 3 <sup>rd</sup> Floor, Block no. 5 W.E.A, Naiwala, Karol Bagh New Delhi- 110005 India
Stakeholders' Relationship Committee	The committee of the Board of Directors constituted as the Company's Stakeholders' Relationship Committee in accordance with Section 178(5) of the Companies Act, 2013 and rules made thereunder vide Board Resolution dated April 23, 2018. For details, please refer to the section titled "Our Management" on page 128 of this Red Herring Prospectus.
Statutory Auditors or Auditors	The Statutory Auditors of our Company being M/s. Amarnath Sharma & Co. holding a valid peer review certificate dated January 11, 2017
"you", "your" or "yours"	Prospective Investors in this Issue

#### ISSUE RELATED TERMS

<b>Term</b>	<b>Description</b>
Acknowledgement Slip	The acknowledgement slips or document issued by the Designated Intermediary to a Bidder as proof of registration of Bid.
Allot / Allotment /Allotted	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Bidders.
Allottee(s)	A successful Bidders to whom the Equity Shares are being Allotted
Allotment Advice	Note or advice or intimation of Allotment sent to each successful Bidder who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange.
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by a Bidder, to make a Bid and authorize a SCSB to block the Bid Amount in the specified bank account maintained with such SCSB and will include amounts blocked by RIBs using the UPI Mechanism.
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB or the account of the RIB blocked upon acceptance of UPI Mandate Request by RIBs using the UPI Mechanism to the extent of the Bid Amount of the Bidder/Applicant.
ASBA / Location(s) / Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata
ASBA Bidders	Any Bidder except Anchor Investor
Banker to the Issue/ Refund Banker/ Public Issue Bank/ Escrow collection bank	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account and Refund Account will be opened and in this case being ICICI Bank Limited and IndusInd Bank Limited
Bankers to the Issue Agreement / Cash Escrow	Banker to the Issue Agreement entered amongst our Company, Book Running Lead Manager, the Registrar to the Issue and Public Issue Bank/ Banker to the Issue for collection of the Bid Amount on the terms and conditions thereof.

Term	Description
Agreement / Escrow Agreement	
Basis of Allotment	The basis on which the Equity Shares will be allotted to successful Bidders under the Issue, described in “ <i>Issue Procedure</i> ” on page 195 of this Red Herring Prospectus
Bid	An indication to make an application during the Bid/ Issue Period by a Bidder, pursuant to submission of the Bid cum Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations in accordance with the Red Herring Prospectus and Bid cum Application Form
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue
Bidding	The process of making a Bid.
Bid Lot	[●] equity shares and in multiples of [●] equity shares thereafter
Bid cum Application Form	The ASBA Form where the context so requires, in terms of which a Bidder makes a Bid in terms of the Red Herring Prospectus which will be considered as an application for Allotment.
Bid Cum Application Collecting Intermediaries	1.A SCSB with whom the bank account to be blocked, is maintained 2.A syndicate member (or sub-syndicate member) If any 3.A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity)(‘broker’) if any 4.A depository participant (‘DP’) (whose name is mentioned on the website of the stock exchange as eligible for this activity) 5 A registrar to an offer and share transfer agent (‘RTA’) (whose name is mentioned
Bid/ Issue Closing Date	The date on which the Syndicate, the Designated Branches and the Registered Brokers shall not accept the Bids, which shall be notified in all edition of the English national newspaper Business Standard, All edition of the Hindi national newspaper Business Standard, and New Delhi edition of the Regional newspaper Naya India, each with wide circulation, and in case of any revision, the extended Bid/ issue closing Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.
Bid/ Issue Opening Date	The date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which shall be notified in all edition of the English national newspaper Business Standard, All edition of the Hindi national newspaper Business Standard, and New Delhi edition of the Regional newspaper Naya India, each with wide circulation, and in case of any revision, the extended Bid/ Issue Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations
Bid/ Issue Period	The period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof. Provided however that the Bidding/ Issue Period shall be kept open for a minimum of three Working Days for all categories of Bidders
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an ASBA Bidder
Bidding/Collection Centres	Centres at which the Designated intermediaries shall accept the ASBA Forms, i.e Designated SCSB Branch for SCSBs, specified locations for syndicate, broker centre for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs
Book Process/Book Method	Building Building The book building route as provided under Schedule XIII of the SEBI (ICDR) Regulations, 2018 in terms of which this Issue is being made

<b>Term</b>	<b>Description</b>
Book Running Lead Manager/ BRLM	Book Running Lead Manager to the Issue in this case being Pantomath Capital Advisors Private Limited SEBI Registered Category I Merchant Banker.
Broker Centers	Broker centers notified by the Stock Exchanges, where the Applicants can submit the Application Forms to a Registered Broker. The details of such broker centers, along with the name and contact details of the Registered Brokers, are available on the website of the BSE Limited on the following link- <a href="http://www.bseindia.com">www.bseindia.com</a>
CAN/ Confirmation of Allocation Note	The note or advice or intimation sent to each successful Bidder indicating the Equity Shares which will be Allotted/ transferred, after approval of Basis of Allotment by the Designated Stock Exchange.
Cap Price	The higher end of the price band above which the Issue Price will not be finalized and above which no Bids (or a revision thereof) will be accepted
Client ID	Client identification number of the Applicant's beneficiary account
Collecting Depository Participant	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Collecting Registrar and Share Transfer Agent	Registrar to an Issue and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the Book Running Lead Manager, the Registrar to the Issue and the Stock Exchange and a list of which is available at <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time
Cut Off Price	The Issue Price, which shall be any price within the Price band as finalized by our Company in consultation with the BRLM. Only Retail Individual Investors, were are entitled to Bid at the Cut-off Price. QIBs and Non-Institutional Investors are not entitled to Bid at the Cut-off Price.
Demographic Details	Details of the Bidders including the Bidder's address, name of the Bidder's father/ husband, investor status, occupation and bank account details and UPI ID wherever applicable
Depository / Depositories	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 1996
Depository Participant / DP	A depository participant as defined under the Depositories Act.
Designated CDP Locations	Such centers of the CDPs where Bidders can submit the Bid cum Application Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the website of the Stock Exchange ( <a href="http://www.bseindia.com">www.bseindia.com</a> ) and updated from time to time
Designated Date	The date on which the funds blocked by the SCSBs or Sponsor Bank are transferred from the ASBA Accounts specified by the ASBA Bidders to the Public Issue Account and/or Refund Account and /or are unblocked, as applicable, in terms of RHP.
Designated Intermediaries / Collecting Agent	An SCSB with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Registered Broker, Designated CDP Locations for CDP, a Registrar to an Issues and Share Transfer Agent (RTA) (whose names are mentioned on website of the stock exchange as eligible for this activity).
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the website of the Stock Exchange ( <a href="http://www.bseindia.com">www.bseindia.com</a> )
Designated SCSB Branches	Such branches of the SCSBs which shall collect the Application Forms, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/">http://www.sebi.gov.in/</a> or at such other website as may be prescribed by SEBI from time to time

Term	Description
Designated Stock Exchange/ Stock Exchange	BSE Limited
Draft Red Herring Prospectus / DRHP	The Draft Red Herring Prospectus dated March 27, 2019, filed with BSE Limited
Eligible NRI	NRI's from jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom the Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an issue or invitation under the issue and in relation to whom the Red Herring Prospectus constitutes an invitation to purchase the Equity Shares offered thereby and who have opened demat accounts with SEBI registered qualified depository participants.
Equity Shares or Ordinary Shares	The ordinary shares of our Company having a face value of ₹ 10/-, unless otherwise specified in the context thereof
Escrow Account	Account(s) to be opened with the Escrow Collection Bank
Escrow Agreement	An agreement to be entered into between our Company, the Registrar to the Issue, the Bankers to the Issue and the BRLM for the collection of payment amount.
Escrow Bank	A bank, which is a clearing member and registered with SEBI as a Banker to an Issue and with whom the Escrow Account has been opened, in this case being ICICI Bank Limited and IndusInd Bank Limited
First Bidder/ Applicant	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
FII/Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
Floor Price	The lowest end of the Price Band, subject to any revision thereto, at or above which the Issue Price will be finalized and below which no Bids (or revisions thereof) will be accepted.
Fresh Issue	Fresh issue of up to 41,45,200 Equity Shares aggregating up to ₹ [●] lakhs to be issued by company pursuant to the Issue.
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 notified by SEBI notified by the SEBI and included in "Issue Procedure" on page 195 of this Red Herring Prospectus.
Listing Agreement	Unless the context specifies otherwise, this means the Listing Agreement to be signed between our Company and the BSE Limited.
Market Making Agreement	Market Making Agreement dated April 04, 2019 between our Company, Book Running Lead Manager and Market Maker.
Market Maker	Market Maker appointed by our Company from time to time, in this case being Pantomath Stock Brokers Private Limited who has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time.
Market Maker Reservation Portion	2,08,000 Equity Shares of ₹10/- each at ₹[●]/- per Equity Share aggregating to ₹[●] Lakhs reserved for subscription by the Market Maker.
National Payments Corporation of India (NPCI)	NPCI, a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA).
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India



<b>Term</b>	<b>Description</b>
Net Issue	The Issue less the Market Maker reservation portion.
Net Proceeds	Proceeds from the Fresh Issue after deduction of Issue expenses.
Non-Institutional Investors / NIIs	All Bidders (including Category III FPIs which are foreign corporates or foreign individuals but not including NRIs, other than Eligible NRIs) that are not QIBs or Retail Individual Bidders, who have Bid for an amount more than ₹ 200,000.
Non Resident	A person resident outside India, as defined under FEMA Regulations
Non-Resident Indian/ NRI	A person resident outside India, who is a citizen of India or a Person of Indian Origin as defined under FEMA Regulations, as amended
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue.
Issue / Issue Size/ Public Issue	The Initial Public Issue of up to 41,15,200 Equity Shares of face value of Rs.10 each for cash at a price of Rs. [●] each, aggregating up to Rs. [●] Lakhs.
Issue Price	The final price at which the Equity Shares will be Allotted in terms of the Red Herring Prospectus and the Prospectus, as determined by our Company in consultation with the BRLM on the Pricing Date in accordance with the Book-building Process and the Red Herring Prospectus.
Issue Proceeds	The proceeds of the Issue. For further information about use of the Issue Proceeds refer to the chapter titled "Objects of the Issue" beginning on page 71 of this RHP.
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable
Person/ Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires
Price Band	Price Band of a minimum price (Floor Price) of Rs. [●] and the maximum price (Cap Price) of Rs. [●] and includes revisions thereof. The Price Band will be decided by our Company in consultation with the BRLM and advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation and one daily regional newspaper with wide circulation at least two working days prior to the Bid/ Issue Opening Date
Pricing Date	The date on which our Company in consultation with the BRLM, will finalize the Issue Price
Prospectus	The Prospectus to be filed with RoC on or after Pricing Date in accordance with Section 26 and 32 of the Companies Act, 2013, and the SEBI ICDR Regulations containing inter alia, the Issue Price, the size of the Issue and certain other information
Public Issue Account(s)	The account to be opened with the Banker to the Issue under Section 40 of the Companies Act, 2013 to receive monies from the ASBA Accounts
Qualified Institutional Buyers / QIBs	A qualified institutional buyer as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Red Herring Prospectus / RHP	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be issued and the size of the issue, including any addenda or corrigenda thereto
Refund Account	Account to which Application monies to be refunded to the Applicants in case of failure of the Issue
Refund Bank(s)/Refund Banker(s)	The Bankers to the Issue with whom the Refund Accounts will be opened, in this case being ICICI Bank Limited and IndusInd Bank Limited
Refund through electronic transfer of funds	Refunds through NECS, direct credit, RTGS or NEFT, as applicable
Registered Brokers	Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/Sub-Syndicate Members) who hold valid membership of BSE having right

<b>Term</b>	<b>Description</b>
	to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on <a href="http://www.bseindia.com/membership/dynaContent/find_a_broker.html">http://www.bseindia.com/membership/dynaContent/find_a_broker.html</a>
Registrar Agreement	The Agreement between the Registrar to the Issue and the Issuer Company dated February 26, 2019 in relation to the responsibilities and obligations of the Registrar to the Issuer pertaining to the Issue
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registrar/ Registrar to the Issue/ RTI	Registrar to the Issue, in this case being Link Intime India Private Limited, having its registered office at C-101, 1st Floor, 247 Park, L B S Marg, Vikhroli (West), Mumbai – 400083, Maharashtra, India.
Restated Financial Information	Restated consolidated financial statements of assets and liabilities for the period ended December 31, 2018 and as at March 31, 2018, 2017 and 2016 and statement of profit and loss and cash flows for the period ended December 31, 2018 and for each of the years ended March 31, 2018, 2017 and 2016 for our Group in accordance with SEBI ICDR Regulations and other applicable laws.
Retail Individual Bidders / RIBs / Retail Individual Investors/ RIIs	Individual Bidders, submitting Bids, who have Bid for Equity Shares for an amount not more than ₹ 200,000 in any of the bidding options in the Net Issue (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs).
Retail Portion	The portion of the Issue being not less than 50% of the Net Issue, consisting of 19,55,200 Equity Shares, available for allocation to Retail Individual Bidders.
Revision Form	The form used by the Bidders to modify the quantity of Equity Shares or the Bid Amount in any of their Bid Cum Application Forms or any previous Revision Form(s), as applicable. QIBs and Non-Institutional Investors are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage.
SEBI (Foreign Portfolio Investor) Regulations	Securities and Exchange Board of India (Foreign Portfolio Investor) Regulations, 2014
Securities Law	The Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and the rules and regulations made thereunder and the general or special orders, guidelines or circulars made or issued by the Board thereunder and the provisions of the Companies Act, 2013 or any previous company law and any subordinate legislation framed thereunder, which are administered by the Board
Self-Certified Syndicate Banks/SCSB's/SCSB	Banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> and updated from time to time and at such other websites as may be prescribed by SEBI from time to time
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time
SME Platform of BSE	The SME platform of BSE Limited, approved by SEBI as an SME Exchange for listing of equity shares issued under Chapter IX of the SEBI ICDR Regulations.
Specified Locations	Collection centres where the SCSBs shall accept application form, a list of which is available on the website of the SEBI ( <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> ) and updated from time to time
Specified securities	The equity shares issued through this Red Herring Prospectus/ Red Herring Prospectus/ Prospectus
Sponsor Bank(s)	The Banker(s) to the Issue registered with SEBI which is appointed by our Company to act as a conduit between the Stock Exchanges and the NPCI in order to push the mandate collect requests and/ or payment instructions of the RIBs into the UPI, the sponsor bank in this case being ICICI Bank Limited.
Sub Syndicate Member	A SEBI Registered member of BSE appointed by the BRLM and/or syndicate member to act as a Sub Syndicate Member in the Issue
Syndicate	Includes the BRLM, Syndicate Members and Sub Syndicate Members
Syndicate Agreement	The agreement dated April 04, 2019 entered into amongst our Company, the BRLM and the Syndicate Members, in relation to the collection of Bids in this Issue

<b>Term</b>	<b>Description</b>
Syndicate ASBA Bidding Locations	Bidding Centres where an ASBA Bidder can submit their Bid in terms of SEBI Circular no CIR/CFD/DIL/1/2011 dated April 29, 2011, namely Mumbai, Chennai, Kolkata, Delhi
Syndicate Members/Members of the Syndicate	Intermediaries registered with the SEBI eligible to act as syndicate member and who is permitted to carry on the activity as an underwriter, in this case being Pantomath Capital Advisors Private Limited and Pantomath Stock Brokers Private Limited.
Systemically Important Non-Banking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
Transaction Registration Slip/TRS	The slip or document issued by the Syndicate or SCSB (only on demand), to the Bidder as proof of registration of the Bid
Underwriter	Pantomath capital Advisors Private limited
Underwriting Agreement	The agreement dated April 04, 2019 entered into between the Underwriters and our Company
Unified Payments Interface (UPI)	UPI is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons' bank accounts using a payment address which uniquely identifies a person's bank a/c.
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the RIB by way of a notification on the UPI application and by way of a SMS directing the RIB to such UPI application) to the RIB initiated by the Sponsor Bank to authorize blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment.
UPI Mechanism	The bidding mechanism that may be used by a RIB to make a Bid in the Offer in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018.
UPI PIN	Password to authenticate UPI transaction.
Working Day(s)	In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulations, working days means, all days on which commercial banks in the Mumbai as specified in the Red Herring Prospectus are open for business <ol style="list-style-type: none"> <li>1. However, in respect of announcement of price band and bid/ Issue period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in the Mumbai as notified in the Red Herring Prospectus are open for business</li> <li>2. In respect to the time period between the bid/ Issue closing date and the listing of the specified securities on the stock exchanges, working day shall mean all trading days of the stock exchanges, excluding Sundays and bank holidays in accordance with circular issued by SEBI.</li> </ol>

#### **TECHNICAL / INDUSTRY RELATED TERMS**

<b>Term</b>	<b>Description</b>
GDP	Gross Domestic Product
FY	Financial Year
FDI	Foreign Direct Investment
CAGR	Compounded Annual Growth Rate
PPP	Public Private Partnership
TRAI	Telecom Regulatory Authority of India
Bn.	Billion
Mn.	Million
MSF	Million sq. ft.
Cr.	Crore
Kms	Kilometers
EMEA	Europe, Middle East, and Africa
APAC	Asia-Pacific
IIA	India Industries Association
MT	Metric Tonnes
YoY	year on year
TPA	Tonnes Per Annum
WEO	World Economic Outlook
CSO	Central Statistics Organization
IMF	International Monetary Fund
RBI	Reserve Bank of India
MGNREGA	Mahatma Gandhi National Rural Employment Guarantee Act
BCG	Boston Consulting Group
HVAC	Heating Ventilation and air conditioning
BTS	Base Transceiver Station
IP PBX	Private Branch Exchange
ECU	Electronic Control Unit
AMT	Automated Manual Transmission.
ABS	Anti-Lock Braking
PPP	Purchasing Power Parity
SEZ	Special Economic Zones
ACE	Appliance and consumer Electronics
MMT	Million Metric Tons
EMS	Electronic Manufacturing Service
CBU	Completely Built Up
PCBA	Printed Circuit Board Assembly
SKD	Semi Knocked Down
CKD	Completely Knocked Down
ICA	Indian Cellular Association

#### **CONVENTIONAL AND GENERAL TERMS AND ABBREVIATIONS**

<b>Term</b>	<b>Description</b>
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
AIF(s)	Alternative Investment Funds as defined in and registered with SEBI under SEBI AIF Regulations
Air Act	The Air (Prevention and Control of Pollution) Act, 1981
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
Associate	A person who is an associate of the issuer and as defined under the Companies Act, 2013
Authorised Dealers	Authorised Dealers registered with RBI under the Foreign Exchange Management (Foreign Currency Accounts) Regulations, 2000

<b>Term</b>	<b>Description</b>
AY	Assessment Year
Bn	Billion
BRLM	Book Running Lead Manager
CAGR	Compounded Annual Growth Rate
Category I Foreign Portfolio Investor(s)	FPIs registered as Category I Foreign Portfolio Investors under the SEBI FPI Regulations.
Category II Foreign Portfolio Investor(s)	An FPI registered as a Category II Foreign Portfolio Investor under the SEBI FPI Regulations
Category III Foreign Portfolio Investor(s)	FPIs registered as category III FPIs under the SEBI FPI Regulations, which shall include all other FPIs not eligible under category I and II foreign portfolio investors, such as endowments, charitable societies, charitable trusts, foundations, corporate bodies, trusts, individuals and family offices.
CC	Cash Credit
CCI	The Competition Commission of India
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CGST	Central GST
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
COPRA	The Consumer Protection Act, 1986
CST	Central Sales Tax
Companies Act	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications and modifications thereunder
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections)
Companies Act, 2013	Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications and modifications thereunder
Consolidated FDI Policy	The current consolidated FDI Policy, effective from August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
Contract Act	The Indian Contract Act, 1872
CSR	Corporate Social Responsibility
Depositories Act	The Depositories Act, 1996
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI
DP	Depository Participant
DP ID	Depository Participant's identity number
DTC	Direct Tax Code, 2013
EBITDA	Revenue from operations (net) less total expenses (expenses other than finance cost, and depreciation and amortization).
EBITDA Margin	EBITDA divided by revenue from operations (net).
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
Electricity Act	The Electricity Act, 2003
EPA	The Environment Protection Act, 1986
EPF Act	The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
ER Act	The Equal Remuneration Act, 1976
ESI Act	The Employees' State Insurance Act, 1948

<b>Term</b>	<b>Description</b>
ESIC	Employee State Insurance Corporation
ESOP	Employee Stock Option Plan
ESPS	Employee Stock Purchase Scheme
FCNR Account	Foreign Currency Non Resident (Bank) account established in accordance with the FEMA
FDI	Foreign direct investment
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations there under
FEMA 2000	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000
FII(s)	Foreign Institutional Investors as defined under SEBI FPI Regulations
Financial Year / Fiscal Year / FY	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FIPB	Foreign Investment Promotion Board
Foreign Portfolio Investor or FPIs	A foreign portfolio investor, as defined under the SEBI FPI Regulations and registered with SEBI under applicable laws in India.
Fugitive economic offender	An individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GAAP	Generally Accepted Accounting Principles
GIR Number	General Index Registry Number
GoI/Government	Government of India
Gratuity Act	The Payment of Gratuity Act, 1972
GST Act	The Central Goods and Services Tax Act, 2017
Hazardous Wastes Rules	Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008
IBA	Indian Banks Association
ICAI	The Institute of Chartered Accountants of India
ICDR/ ICDR Regulations/ SEBI ICDR/ SEBIs (ICDR) Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, including instructions and clarifications issued by SEBI from time to time
ICSI	The Institute of Company Secretaries of India
ID Act	The Industrial Disputes Act, 1947
IDRA	The Industrial (Development and Regulation) Act, 1951
IE Act	The Indian Easements Act, 1882
IEM	Industrial Entrepreneurs Memorandum
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
IGST	Integrated GST
IT Act	Income Tax Act, 1961
Indian GAAP	Generally Accepted Accounting Principles in India
INR or Rupee or ₹ or Rs.	Indian Rupee, the official currency of the Republic of India
Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.
KMP	Key Managerial Personnel
Ltd.	Limited
Maternity Benefit Act	Maternity Benefit Act, 1961
M. A	Master of Arts
M.B.A	Master of Business Administration
MCA	The Ministry of Corporate Affairs, GoI
M. Com	Master of Commerce
MCI	Ministry of Commerce and Industry, GoI
MSME	Micro, Small and Medium Enterprise

<b>Term</b>	<b>Description</b>
MWA	Minimum Wages Act, 1948
Mn	Million
MoEF	Ministry of Environment and Forests
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
NA	Not Applicable
NAV	Net asset value
NI Act	The Negotiable Instruments Act, 1881
No.	Number
Noise Regulation Rules	The Noise Pollution (Regulation & Control) Rules 2000
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect
NPCL	National Payments Corporation of India
NPV	Net Present Value
NRE Account	Non-Resident External Account established and operated in accordance with the FEMA
NRO Account	Non-Resident Ordinary Account established and operated in accordance with the FEMA
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
p.a.	per annum
Pcs	Pieces
P/E Ratio	Price/Earnings Ratio
PAN	Permanent account number
PAT	Profit after Tax
PIL	Public Interest Litigation
POB Act	Payment of Bonus Act, 1965
Public Liability Act/PLI Act	The Public Liability Insurance Act, 1991
Pvt./(P)	Private
QFI(s)	Qualified Foreign Investor(s) as defined under the SEBI FPI Regulations
QIB	Qualified Institutional Buyer
RBI	The Reserve Bank of India
R&D	Research & Development
Registration Act	The Indian Registration Act, 1908
RoC or Registrar of Companies	The Registrar of Companies
ROE	Return on Equity
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
Rule 144A	Rule 144A under the U.S. Securities Act, 1933
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including instructions and clarifications issued by SEBI from time to time
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternate Investment Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000

<b>Term</b>	<b>Description</b>
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended from time to time.
SGST	State GST
SHWW/SHWW Act	The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
SME	Small and Medium Enterprise
STT	Securities Transaction Tax
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.
TM Act	The Trademarks Act, 1999
UPI	Unified payments interface, a payment mechanism that allows instant transfer of money between any two persons bank account using a payment address which uniquely identifies a person's bank account.
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. Securities Act	The United States Securities Act, 1933
US\$ or USD or US Dollars	United States Dollar, the official currency of the United States of America
USA or U.S. or US	United States of America
VAT	Value Added Tax
Wages Act	Payment of Wages Act, 1936
Water Act	The Water (Prevention and Control of Pollution) Act, 1974
WCA	The Workmen's Compensation Act, 1923
Wilful defaulter	A wilful defaulter, as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations, means a person who or which is categorized as a wilful defaulter by any bank or financial institution (as defined under Companies Act, 2013) or consortium thereof, in accordance with the guideline on wilful defaulter issued by the RBI.

Notwithstanding the following: -

- i. In the section titled “*Main Provisions of the Articles of Association*” beginning on page 236 of this Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
- ii. In the section titled “*Financial Statements*” beginning on page 149 of this Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
- iii. In the section titled “*Risk Factor*” beginning on page 23 of this Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
- iv. In the chapter titled “*Statement of Possible Tax Benefits*” beginning on page 81 of this Red Herring Prospectus, defined terms shall have the meaning given to such terms in that chapter; and
- v. In the chapter titled “*Management's Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 151 of this Red Herring Prospectus, defined terms shall have the meaning given to such terms in that chapter.



## **PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA**

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

### **FINANCIAL DATA**

Unless stated otherwise, the financial data included in this Red Herring Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled ‘Financial Statements’ beginning on page 149 of this Red Herring Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI (ICDR) Regulations.

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

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

Any percentage amounts, as set forth in “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and elsewhere in this Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditor, set out in the section titled ‘Financial Statements’ beginning on page 149 of this Red Herring Prospectus.

### **CURRENCY OF PRESENTATION**

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

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

### **INDUSTRY & MARKET DATA**

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

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

## FORWARD LOOKING STATEMENT

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

Important factors that could cause actual results to differ materially from our expectations include, but are not limited to the following:-

General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;

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

For a further discussion of factors that could cause our actual results to differ, refer to section titled “Risk Factors” and chapter titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 23 and 151 respectively of this Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

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

## SECTION II – SUMMARY OF OFFER DOCUMENT

### OVERVIEW OF INDUSTRY

Indian Consumer Electronics and Appliances (CEA) market has been witnessing sustained double digit growth rate in the past few years. Increasing product awareness, affordable pricing, innovative products and the high disposable incomes have aided in the strong growth in the CEA market in India. Rapidly shrinking replacement cycle for consumer durables is observed as sustaining demand in urban India. The existing low penetration rates and the increasing usage of consumer durables have catapulted rural India to the high demand (30% annual growth) generating segment.

For further details please see the chapter titled “Our Industry” beginning on page 84 of this RHP.

### OVERVIEW OF BUSINESS

Our Company is engaged in manufacturing of consumer electronic products such as mobile phones, mobile phone chargers, mobile phone batteries, power banks, LED TV sets, etc. Our Company assembles and markets these products under its own brand name, “Suich”. We have since our inception focussed on selling the products to Northern India specifically catering to rural areas and Tier -2 and Tier-3 cities where feature mobile phones and mobile phone accessories are easily marketable. We have strived to keep ourselves asset-light and accordingly we sell our entire products directly to our wide distributors network avoiding the need of setting up own retail outlets. Recently, our Company has also ventured into exports of its products. Further, our Company is also engaged in trading activity, where it purchases finished products from other manufacturers and sells it to the distributors as per the demand.

Gunnit Singh Allagh and Sanchit Allagh are the Promoters of Our Company.

For, further details regarding risk involved in Business of the Company and risk in relation to the Issue, refer to chapter titled “Risk Factor” beginning on page 23 of this Red Herring Prospectus.

### DETAILS OF THE ISSUE

Initial public offer of up to 41,15,200 equity shares of face value of ₹ 10 each (“equity shares”) of Suich Industries Limited (“company” or “Issuer”) for cash at a price of ₹ [●] per equity share (including a share premium of ₹ [●] per equity share) aggregating up to ₹ [●] lakhs (the “Issue”). The Issue includes a reservation of up to 2,08,000 equity shares of face value ₹ 10/- each at a price of ₹ [●] per equity share aggregating ₹ [●] lakhs for subscription by the market maker to the Issue (the “market maker reservation portion”). The Issue less market maker reservation portion i.e. Net Issue of up to 39,07,200 equity shares of face value of ₹ 10/- each for cash at a price of ₹ [●]/- per equity share, aggregating ₹ [●] lakhs is hereinafter referred to as the “Net Issue”. The Issue and the Net Issue will constitute 27.00% and 25.63 % respectively of the post Issue paid up equity share capital of our Company.

### OBJECTS OF THE ISSUE

Our Company intends to utilize the Net Proceeds of the Issue (Issue proceeds of less the Issue Expenses) towards the following Objects:

Sr. No.	Particulars	Amount to be financed from the Net Proceeds (Rs. in lakhs)	Percentage of the net proceeds
1.	Repayment/ pre-payment of certain unsecured loans availed from banks and financial institutions by our company	113.02	[●]%
2.	Funding the working capital requirement of the Company	2,350.00	[●]%
3.	General Corporate Purpose	[●]	[●]%
	<b>Total</b>	<b>[●]</b>	<b>[●]%</b>

### PRE-ISSUE SHAREHOLDING OF PROMOTER, PROMOTER GROUP

Our Promoter and Promoter Group members are collectively holding 1,06,29,000 equity shares of our Company aggregating to 95.51% of the pre-issue paid-up share capital of our Company. Following are the details of shareholding of Promoters and promoter group members:

Sr. No.	Name of the Shareholder	Pre – Issue		Post – Issue	
		No. of Equity Shares	% of Pre-Issue Capital	No. of Equity Shares	% of Post-Issue Capital
(I)	(II)	(III)	(IV)	(V)	(VI)
	<b>Promoters</b>				
1	Gunnit Singh Allagh	55,09,900	49.51	55,09,900	36.14
2	Sanchit Allagh	47,30,000	42.50	47,30,000	31.03
	<b>Subtotal (A)</b>	<b>1,02,39,900</b>	<b>92.01</b>	<b>1,02,39,900</b>	<b>67.17</b>
	<b>Promoter Group</b>				
1	Gunnit Singh Allagh HUF	3,72,000	3.34	3,72,000	2.44
2	Kulbir Kaur Alagh	7,000	0.06	7,000	0.05
3	Tinky Allagh	5,000	0.04	5,000	0.03
4	Maneet Allagh	5,000	0.04	5,000	0.03
5	Shiv Baurly	100	Negligible	100	Negligible
	<b>Subtotal (B)</b>	<b>3,89,100</b>	<b>3.49</b>	<b>3,89,100</b>	<b>2.55</b>
	<b>Total (A+B)</b>	<b>1,06,29,000</b>	<b>95.50</b>	<b>1,06,29,000</b>	<b>69.72</b>

### SUMMARY OF FINANCIAL INFORMATION

Following are details as per the restated consolidated financial statements for the period ended December 31, 2018 and financial years ended on March 31, 2018, 2017 and 2016:

(Amount in Lakhs)

Particulars	December 31, 2018*	March 31, 2018	March 31, 2017	March 31, 2016
Share Capital	1,112.90	1,112.90	1,112.90	1,112.90
Net Worth	5,172.95	4,027.38	3,284.57	2,752.04
Revenue**	14,005.73	19,978.97	14,275.35	10,645.95
Profit after tax	1,148.18	742.92	532.51	300.52
Basic and Diluted Earnings per share (in Rs.)	10.32	6.68	4.78	2.70
NAV per share (in Rs.)	46.48	36.19	29.51	24.73
Total borrowings (as per balance sheet)***	3,443.76	3,843.92	2,822.26	2,730.72

\*Not annualised

\*\*Revenue from operations

\*\*\*inclusive of current maturities

### AUDITOR QUALIFICATIONS

There are no Auditor qualification which have not been given effect to in the Restated Financial Statements.

### SUMMARY OF OUTSTANDING LITIGATIONS

Our Company, Subsidiaries, Promoters and Directors are currently involved in certain litigation which is currently pending at various stages, the details of the same are summarised in the table set forth below:

Name of Entity	Criminal Proceedings	Actions by Regulatory Authorities	Tax Proceedings	Other Material Proceedings	Aggregate amount involved (Rs. In lakhs)
By the Company	Nil	Nil	Nil	1	Not Ascertainable
Against the Company	1	Nil	5	Nil	230.26
By the Promoter	Nil	Nil	Nil	Nil	Nil

<b>Against the Promoter</b>	1	Nil	1	1	Not Ascertainable
<b>By the Directors</b>	Nil	Nil	Nil	Nil	Nil
<b>Against the Directors</b>	Nil	Nil	6	Nil	1.17
<b>By Group Companies</b>	Nil	Nil	Nil	Nil	Nil
<b>Against Group Companies</b>	Nil	Nil	5	Nil	Not Ascertainable
<b>By the Subsidiaries</b>	N.A.	N.A.	N.A.	N.A.	N.A.
<b>Against the Subsidiaries</b>	N.A.	N.A.	N.A.	N.A.	N.A.

Note:

There is no pending litigation involving our Group Company which will have a material adverse impact on our Company.

For further details in relation to legal proceedings involving our Company, Subsidiaries, Promoters and Directors, refer chapter titled “Outstanding Litigation and Material Developments” on page 169 of this Red Herring Prospectus.

## RISK FACTORS

Please see the chapter “Risk factors” beginning on page 23.

## SUMMARY OF CONTINGENT LIABILITIES

Following is the summary of the Contingent Liabilities of the Company for the period ended December 31, 2018 and financial years ended on March 31, 2018, 2017 and 2016:

(Amount in Lakhs)

Particulars	For the Period ended on December 31, 2018	For the Year ended on		
		March 31, 2018	March 31, 2017	March 31, 2016
Bank Guarantees, The Asst. Comm. Of Customs, ICS Tughalkabad, New Delhi	3.70	3.70	3.70	3.70
Bank Guarantees The Comm. O Customs, NHAVA SHEVA, Mumbai	14.51	14.51	14.51	14.51
Income Tax CIT-A [A.Y.2016-17]	73.26	-	-	-
Export Obligations	1,103.21	827.41	881.62	509.19
Income Tax Demand pending for A.Y. 2014-15, appeal filled with ITAT ( CIT appeal order dated 27th January, 2017)	12.68	12.68	12.68	12.68
Income Tax Demand pending for A.Y. 2015-16, appeal filled with CIT (A) (order dated 8th January, 2018)	1.78	1.78	1.78	1.78
Value Added Tax Demand pending for F.Y. 2012-13, appeal filled with adjudication before Special commissioner.	160.50	160.50	160.50	160.50
<b>Total</b>	<b>1,369.64</b>	<b>1,020.58</b>	<b>1,074.79</b>	<b>702.36</b>

For further details regarding the same, refer the Chapter titled “Financial Statement as Restated” beginning on page 149 of this Red Herring Prospectus.

## SUMMARY OF RELATED PARTY TRANSACTIONS

Following is the summary detail of the related party transactions entered by the Company for the period ended December 31, 2018 and financial years ended on March 31, 2018, 2017 and 2016:

a) Names of related parties and description of relationship

<b>Names of related parties</b>	<b>Description of relationship</b>
Mr. Gunnit Singh Allagh	Key Managerial Personnel
Mr. Sanchi Allagh	
1. M/s Delhi Mobile Mate Private Limited	Associate Concerns/ Entities in which managerial personnel/relative of key managerial personnel have significant influence
M/s Kulbir Kaur	Relative of Key Management Personnel
M/s Blue Wave Trading H. K. Limited	Wholly Owned Subsidiary

b) Transactions with related parties:

<b>Nature of transactions</b>	<b>December 31, 2018</b>	<b>March 31, 2018</b>	<b>March 31, 2017</b>	<b>March 31, 2018</b>
<b>Transaction During The Year</b>				
<b>Directors' Remuneration (Including Bonus)</b>				
Mr. Gunnit Singh Allagh	18.00	24.00	24.00	18.00
Mr. Sanchit Allagh	18.00	24.00	24.00	18.00
<b>Sub total</b>	<b>36.00</b>	<b>48.00</b>	<b>48.00</b>	<b>36.00</b>
<b>Expenses Reimbursement</b>				
Mr. Gunnit Singh Allagh	58.67	-	6.55	-
Mr. Sanchit Allagh	35.85	-	4.63	-
<b>Sub total</b>	<b>94.52</b>	<b>-</b>	<b>11.18</b>	<b>-</b>
<b>Loan Taken</b>				
Mr. Gunnit Singh Allagh	-	-	100.00	-
Mr. Sanchit Allagh	-	-	100.00	-
<b>Sub total</b>	<b>-</b>	<b>-</b>	<b>200.00</b>	<b>-</b>
<b>Loan Repaid</b>				
Mr. Gunnit Singh Allagh	0	71.07	28.93	-
Mr. Sanchit Allagh	0	62.11	37.89	-
<b>Sub total</b>	<b>-</b>	<b>133.18</b>	<b>66.82</b>	<b>-</b>
<b>Advances</b>				
Mrs. Kulbir Kaur	-	-	2.07	0.28
Delhi Mobile Mate Private Limited	18.70	-	21.28	19.63
<b>Sub total</b>	<b>18.70</b>	<b>-</b>	<b>23.35</b>	<b>19.90</b>
<b>Transactions with Wholly Owned Subsidiary</b>				
<b>M/s Blue Wave trading H. K. Limited</b>				
Purchase	-	6,787.91	10,276.61	-

For further details of the same refer the Annexure 29 under Chapter titled "Financial Statement as Restated" beginning on page 149 of this Red Herring Prospectus.

**DETAILS OF FINANCING ARRANGEMENTS**

There are no financing arrangements whereby the Promoters, member of Promoter Group, the Directors of our company 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 filing of this Red Herring Prospectus.

#### **WEIGHTED AVERAGE PRICE AT WHICH THE EQUITY SHARES ACQUIRED BY EACH OF OUR PROMOTERS**

During the preceding one year from the date of filing of this RHP, our Promoters Gunnit Singh Allagh and Sanchit Allagh have not acquired any equity shares during the preceding one year from the date of this Red Herring Prospectus.

#### **AVERAGE COST OF ACQUISITION OF SHARES**

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

<b>Name of Promoters</b>	<b>No. of equity share held</b>	<b>Average cost of acquisition (in ₹.)</b>
<b>Promoters</b>		
Gunnit Singh Allagh	55,09,900	12.64
Sanchit Allagh	47,30,000	10.64

#### **DETAILS OF PRE-IPO PLACEMENT**

Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Red Herring Prospectus till the listing of the Equity Shares.

#### **EQUITY SHARES ISSUED FOR CONSIDERATION OTHER THAN CASH IN LAST ONE YEAR**

We have not issued any Equity Shares for consideration other than cash during last one year from the date of this Red Herring Prospectus:

#### **SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR**

Our Company has not undertaken any split or consolidation of Equity Shares during the last one year from the date of this Red Herring Prospectus.

### SECTION III – RISK FACTORS

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

*Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this Section is derived from our restated financial statements prepared in accordance with Indian GAAP, the Companies Act and which have been restated in accordance with the SEBI ICDR 2018 Regulations. To obtain a better understanding, you should read this Section in conjunction with the chapters titled “Our Business” beginning on page 101, “Our Industry” beginning on page 84 and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 151 respectively, of this Red Herring Prospectus as well as other financial information contained herein.*

#### **Materiality:**

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

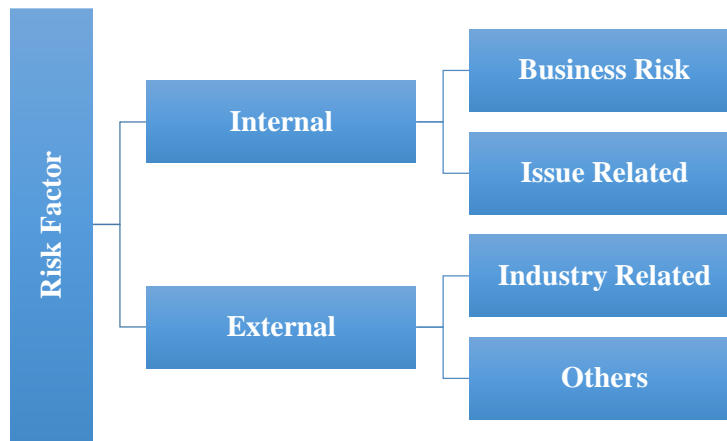
- *Some events may not be material individually but may be found material collectively;*
- *Some events may have material impact qualitatively instead of quantitatively; and*
- *Some events may not be material at present but may have material impact in future.*

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

*In this Red Herring Prospectus, any discrepancies in any between total and the sums of the amount listed are due to rounding off.*

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





## INTERNAL RISKS FACTORS

### BUSINESS RELATED RISKS

1. *Our Company, its Promoters, Directors and Group Company are involved in certain litigations viz criminal, civil and tax proceedings which are currently pending at various stages. Any adverse decision in these proceedings may render us liable to various penalties and/or monetary compensation and may adversely affect our business and results of operations.*

A classification of legal proceedings is mentioned below:

Also, there is no assurance that in future, we, our promoters, our directors or group/subsidiary companies may not face legal proceedings and any adverse decision in such legal proceedings may impact our business. For further details in relation to legal proceedings involving our Company, Promoters, Directors, Group Company and Subsidiaries, kindly refer the chapter titled “*Outstanding Litigation and Material Developments*” on page 169 of this Red Herring Prospectus.

Name of Entity	Criminal Proceedings	Actions by Regulatory Authorities	Tax Proceedings	Other Material Proceedings	Aggregate amount involved (Rs. In lakhs)
By the Company	Nil	Nil	Nil	1	Not Ascertainable
Against the Company	1	Nil	5	Nil	230.26
By the Promoter	Nil	Nil	Nil	Nil	Nil
Against the Promoter	1	Nil	1	1	Not Ascertainable
By the Directors	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	Nil	6	Nil	1.17
By Group Companies	Nil	Nil	Nil	Nil	Nil
Against Group Companies	Nil	Nil	5	Nil	Not Ascertainable
By the Subsidiaries	N.A.	N.A.	N.A.	N.A.	N.A.
Against the Subsidiaries	N.A.	N.A.	N.A.	N.A.	N.A.

\*N.A. = Not Applicable.

An overview of material litigation matters involving our Company, its Promoters and Directors is as follows:

- A Criminal Complaint under section 138 of the Negotiable Instruments Act, 1881 (“**NI Act**”) has been filed against Our Company and its Promoter-Director Gunnit Singh Allagh. The matter relates to dishonour of cheque amounting to INR 10.2 lakhs. For further details on the matter, kindly refer the heading “*Litigations filed against our Company*” in the chapter titled “*Outstanding Litigation and Material Developments*”.

**Future implications of the matter:**

It shall be noted that a person convicted under section 138 of the N.I. Act may be punished with imprisonment for a term which may be extended to two years or with fine which may extend to twice the amount of the cheque, or with both. In an event, Gunnit Singh Allagh is convicted in the above matter, he shall be debarred from becoming directors of our Company as per section 164 (1) (d) of the Companies Act 2013.

- Our Promoter-Director, Sanchit Allagh is involved in a criminal matter for offences under sections 406, 420 and 120B of the Indian Penal Code, 1860 and section 66 of the Information Technology Act, 2000 wherein he has been accused of being involved in a fraudulent bitcoin transaction. However, he was released on bail. For further details on the matter, kindly refer the heading “*Litigation against our Promoters*” in the chapter titled “*Outstanding Litigation and Material Developments*”.

**Future implications of the matter:**

In an adverse ruling by the Court, if our Promoter-Director is convicted and imprisoned for fraud for more than six months, he shall face disqualification under section 164 (1) (d) of the Companies Act, 2013 and shall cease to remain a director of our Company.

- Our Company has filed a Writ Petition before the High Court of New Delhi for the release of unlawfully detained consignments of our Company. For further details on the matter, kindly refer the heading “*Litigations filed by our Company*” in the chapter titled “*Outstanding Litigation and Material Developments*”.
- Our Promoters-Directors Gunnit Singh Allagh and Sanchit Allagh are involved in a suit for partition and rendition of accounts and permanent and mandatory injunction. For further details on the matter, kindly refer the heading “*Litigation against our Promoters*” in the chapter titled “*Outstanding Litigation and Material Developments*”.

**2. *Our Company is fully engaged in assembly activity and we do not manufacture the required parts and equipment in-house.***

We are engaged into the business of manufacturing mobile phones, mobile batteries, mobile accessories, power banks and TV sets whereby the manufacturing activity of such products is carried out in our facility situated at SIDCUL, Haridwar, Uttarakhand. For our process, we import parts and equipment’s from China and subsequently are assembled together to convert them into a finished product. We do not manufacture the parts and equipment in-house which leads to certain operational issues which are as follows:

- (i) we do not have any control on the quality of the parts manufactured by our supplier; and
- (ii) timely delivery of the required quantum of parts and equipment at a reasonable price and terms among others.

Further, an important benefit of having an in-house manufacturing is lower cost of operations which leads to increased profitability. However, we have placed a procurement system by which we ensure continuous supply of our raw material from quality supplier at a reasonable cost, but we may not be able to assure you of better financial and operational performance as compared to an entity having in-house manufacturing activity.

**3. *Our manufacturing facilities located in SIDCUL Haridwar are availing certain tax benefits which are available for a specified period of time. Expiry or early withdrawal of such tax benefits may adversely affect our results of operations and prospects.***

We benefit from certain tax exemptions provided by the Government of India in relation to the manufacturing activities which are undertaken by us at SIDCUL Haridwar, Uttarakhand. Government of India has allowed certain

tax and duties benefits to promote the industrial activities in this region. Owing to presence of our manufacturing unit in this region, we enjoy tax and duty benefits like zero rate customs on import of mobile battery accessories, mobile charger accessories, mobile hands-free accessories and mobile hand-set. Further, we also have income tax exemption u/s 80 IC of the Income Tax, Act, 1961. For further details, refer to the “*Statement of Tax Benefits*” on page 81 of this Red Herring Prospectus.

The scheme shall be valid upto June 30, 2027 and when these tax benefits expire or are terminated prematurely, our tax expense is likely to increase thereby impacting our cash outflow. Our profitability will be affected to the extent that such benefits will not be available beyond the periods currently contemplated and provided to us.

Such benefits lowers our tax and duties outflow which aids in reducing our cost of manufacturing, however, going forward we may not be able to continue to enjoy the benefits owing to internal or external factors, within or beyond our control. For further details on tax benefits, please refer to chapter titled – “*Statement of Tax Benefits*” beginning Page 81 of this Red Herring Prospectus.

**4. *We are focused in catering to rural areas and Tier-3 segment of Northern India, gadgets replacement rate is low compared to other segments.***

Our business operations is limited to Northern India where our target customers are inhabitants of the rural areas and Tier-3 and cities. These customers have lower spending habits and prefer devices which are affordable, durable and low in cost whilst giving lesser importance to quality of the product which leads to lower revenue in terms of value. Further, owing to their preference, they do not replace / upgrade their devices frequently and accordingly replacement rate in smartphone segment is at 17 months as compared to replacement rate of 14.7 months in metro cities, while the mobile phone segment replacement rate stood at 20 months. With delayed and slow replacement, repetition of customer is low leading to lower revenue. However, industry wide replacement rate for mobile phone accessories are at comfortable level, which ensures quicker and sustainable revenue. However, we may not be able to assure you regarding repetition of customers or increase in revenue owing to our major focus and presence in rural areas and Tier-3 segment. (Source: CARE Industry Research Report).

**5. *Our manufacturing facility is not automated and most of the operations are performed manually.***

Our operations are majorly performed manually by employing employees and labours. We have not installed considerable machineries in our facility and the same is semi-automated. Due to extreme manual intervention in our manufacturing activity, we stand at a risk of defects and error with lower rate of manufacturing as compared to any automated manufacturing facility. Further, automated facility aids in reducing manufacturing costs with better quality of output. Since our facility is operated manually, we are highly dependent on the performance of our employee and production may be hampered due to unavailability of the labours.

**6. *One of the reason for our success is our low cost electronic devices, however, we do not have pricing power leading to stricter margins.***

As per our strategy, we have always kept prices of our products at a lower level, which ensures easy acceptability in the rural areas and Tier -2 and Tier-3 cities. With increasing competition from highly branded products and lower brand recall of our products, we are required to keep our prices lower so as to have a competitive advantage over competitors. Due to this policy, we have continuously increased our revenue both in terms of quantum and value, however limiting our ability to enjoy pricing power and prices which are determined by customers’ demand. Further, we do not enjoy the liberty to pass on price increase to the customers either in the prices of raw materials or our labours. Due to this, we work at a thinner margin and any adverse situation we may be forced to increase our price thereby reducing our competitive advantage which may lead to lower quantum of sales and revenue generation.

**7. *Our distribution channel comprises entirely of distributors, and we do not have any direct network of whole-sellers and retailers.***

Our Company markets its products through its wide distribution network. Our Company has a network of 20 distributors across Northern India. These distributors continues the network chain by selling the products to whole-sellers and then it is sold to retailers. In the entire process, our Company does not indulge in any activity with the whole-sellers and retailers directly, we sell our products to distributors and our supply chain ends at that step. Hence, we rely solely on our distributorship network for our sales activity. Our excessive dependence on distributors exposes to the risks arising out of operational or financial issues being faced by our distributors. Further, since we do not have our own set-up of whole-sellers and retailers network, we may not be able to effectively and successfully market our products in case our business relation with our distributor is disrupted for any reasons, internal or external which may be beyond our control.

**8. *Our manufacturing facility is underutilized.***

Our manufacturing facility which is located at Haridwar, Uttarakhand is currently operating at around 33% of its installed capacity. We have not been able to achieve optimum utilization of the installed capacity owing to many reasons, primarily being working capital issues. Further, to achieve our maximum capacity utilization, our manufacturing facility needs to be operated at around 3 shifts of working hours, however presently the manufacturing facility is only working at 1 shift. In order to convert the production into sales units, we need to have wide distributorship network for which our Company is in process of expanding. Our inability to utilize our installed capacity at an optimum level might lead to high overhead costs therefore adversely affecting our financial performance.

**9. *Emergence of new market players in the low-cost mobile phone segment may lead to disruption in our market segment affecting our business operations adversely.***

Our Company and the industry which we operate in, as a whole have been facing headwinds since the emergence of new market player who have turned out to be as one of the largest player in the low budget phone segment. Further, they are offering basic voice, internet and data usage plans as part of their product offering which has led to sharp fall in share of other players in the market. The continued and increase in growth of such players or addition of new market players could lead to substantial disruption of our market share resulting into decrease in our profits. Increased sales of mobile phones manufactured from other players may lead to increase of demand of mobile phone accessories manufactured by us, consequently leading to higher sales of our accessories. Since our offerings are limited to basic mobile phone and not the mobile network usage plans, we may not be preferred suppliers of such demand (Source: CARE Industry Research Report)

**10. *Our Company does not provide warranty on some of its products.***

One of the feature that a customer generally looks prior to purchasing any product is the warranty that is provided on its products. Our Company does not have a policy to provide warranty on some of its products given the fact that the products are already low priced and are affordable and can easily be replaced without considerable cost burden on them. Although, we do ensure to procure raw material from trusted suppliers who provide quality raw material in addition to having established a local subsidiary company who does the market survey, research and procures directly from the local suppliers from China. However, our policy of not providing warranty may lead to loss of customer's trust in our products and they may choose not to use our products which may lead to adverse financial performance of the Company.

**11. *Over dependence on imported materials may adversely affect our business and result of operations. Further such imports also subject us to exchange rate fluctuations which could have a material and adverse effect on our result of operations and financial condition.***

We import many of our products from foreign markets. Over dependence on imports and unavailability of such products from domestic producers may adversely affect our business. Further, in case the trade relations of India with any of countries or treaties are affected, it may have a direct impact on the operations of the Company. Decrease in the availability of materials which we require, or volatility in the price of these materials may significantly and adversely affect our business, financial condition and results of our operations if we are unable to estimate and accordingly adjust the prices of our product.

Further, the exchange rate between the Rupee and other currencies is variable and may continue to fluctuate in future. Significant exchange rate fluctuations may affect our Company's business as it may alter the costs of the imports significantly. Further at present, our Company does not hedge its foreign exchange exposure. Any adverse or unforeseen fluctuations with respect to the unhedged exchange rate of any foreign currency for Indian Rupees may affect our Company's results of operations.

**12. *Our Company has Export Obligations under the Export Promotion Capital Goods (EPCG) Scheme; which are outstanding as on date. Non fulfilment of export obligations in future would adversely affect our financial operations.***

Our Company is engaged in manufacturing of mobile phones, mobile accessories, power banks and TV sets whereby our Company has availed benefits and saved custom duty on import of capital good for which we have certain export obligation under Export Promotion Capital Goods (EPCG) scheme of US\$ 26.56 Lakhs. Export obligations under the EPCG Scheme if required to be fulfilled in period specified in the license reckoned from authorization issue date by export of goods manufactured by us in proportion of the total duty saved on import of capital goods. Any failure

to comply with export obligations will affect the financial position of our Company.

The export obligations are required to be fulfilled as per the terms within the specified time and non-fulfilling of the same may result in levy of penalty and / or interest for any defaults on case to case basis. For further details, please refer to the chapter titled “*Our Business*” and “*Government and other Statutory Approvals*” beginning on page 101 and 174 respectively of this Red Herring Prospectus.

***13. Electronic devices and technology are fast changing and progressing at a fast pace, our inability to develop and introduce new products range may lead to loss of market share.***

Electronics and technology globally have been evolving in a fast pace over the last two decades. Our Company is engaged in the same line of business where we need to introduce new products in the market and at the correct time. Further, introduction of innovative products by our competitors and our inability to develop and offer the same to our customers or develop new and innovative products will lead to substantial market share. Although, we have put in place a marketing team which surveys the market and the new ongoing trend which identify the customers taste and preferences, based on which we try and induct them in our products, our inability to continue to induct the customers taste and/ or preference in our products for any reasons or to keep up with the product, technology development or any reasons not known presently, may lead to an inferior performance impacting the business.

We may also be unsuccessful in stimulating customer demand for new and upgraded services, or manage to introduce new service or transitions. If we fail to address the demands of the rapidly evolving IT environment, particularly with respect to emerging technologies, and technological obsolescence, it could have a material adverse effect on our business, results of operations and financial condition.

***14. Our success also depends to an extent on our research and development capabilities and failure to derive the desired benefits from our product research and development efforts may hurt our competitiveness, profitability and business operations.***

Our success is dependent on our ability to develop new products and continue to work on and improve production capabilities in tune with the current trend. We make investments in product and development, in particular, to improve the quality of our products and expand our product line by bringing in cutting edge technology, which we believe are important factors for our future growth and prospects.

We cannot assure you that our future product research and development initiatives will be successful or be completed within the anticipated time frame or budget, or that our newly developed or improvised products will achieve wide market acceptance from our customers. Even if such products can be commercially successful, there is no guarantee that they will be accepted by our customers and achieve anticipated sales target or in a profitable manner. Additionally, there can be no guarantee that the time and effort that we spend in research and development would be beneficial to the Company.

In addition, we cannot assure you that our existing or potential competitors will not develop products which are similar or superior to our products. It is often difficult to project the time frame for developing new products and the duration of market window for these products, there is substantial risk that we may have to abandon a potential product that is no longer commercially viable, even after we have invested significant resources in the development of such product. If we continue to fail in our product launching efforts, our business, prospects, financial condition and results of operations may be materially and adversely affected.

***15. We generate our major portion of sales from our operations in certain geographical regions especially Northern India. Any adverse developments affecting our operations in these regions could have an adverse impact on our revenue and results of operations.***

We generate major sales from our customers situated in the Northern India. Such geographical concentration of our business in these regions heightens our exposure to adverse developments related to competition, as well as economic and demographic changes in these regions which may adversely affect our business prospects, financial conditions and results of operations. We may not be able to leverage our experience in these regions to expand our operations in other parts of India and overseas markets, should we decide to further expand our operations.

Factors such as competition, culture, regulatory regimes, business practices and customs, industry needs, transportation, in other markets where we may expand our operations may differ from those in such regions, and our experience in these regions may not be applicable to other markets. Our inability to expand into areas outside

North India market may adversely affect our business prospects, financial conditions and results of operations. While our management believes that the Company has requisite expertise and vision to grow and mark its presence in other markets going forward, investors should consider our business and prospects in light of the risks, losses and challenges that we may face and should not rely on our results of operations for any prior periods as an indication of our future performance. Our inability to expand into areas outside northern India may adversely affect our business prospects, financial conditions and results of operations.

**16. *Ours is a low margin-high volume business.***

We majorly deal into mobile phones and accessories in Northern India. Since we procure the raw material from foreign parties and sell our goods at low price, margins in our business is generally in lower range. Our financial operations are largely dependent on the volume of the business we generate which will add to profits in absolute terms. However, the volume of demand is large which can lead to higher profitability. We need to generate higher volume in terms of quantity to increase our profitability to make our products commercially feasible.

For further details regarding the discussions and explanations for our past results, please refer to the chapter titled – “*Management’s Discussions and Analysis of Financial Condition and Results of Operations*” on page 151 of this Red Herring Prospectus.

**17. *Technical defects in the Company’s products may adversely affect Company’s market position and revenue from operations.***

All the products of the Company are technically complicated and contain hardware as well as software components. The Company imports its products majorly from China. There is no guarantee against malfunctions in products due to defects in the hardware or software, regardless of whether the products have been tested in accordance with Company’s policy. Serious defects in the Company’s products could undermine the Company’s market position and can lead to substantial loss of sales along with reputation, which may have negative effects on the Company’s operations, goodwill, financial position and operating profit.

**18. *Increase in costs of the products we purchase could have a material adverse effect on our Company’s sales, profitability and results of operations. We also do not enter into any contract or agreement with our suppliers.***

Our Company is dependent on third party suppliers for procuring the products which are used in our manufacturing facilities. We are exposed to fluctuations in the prices of these products as well as its unavailability, particularly as we typically do not enter into any long term supply agreements with our suppliers. Our top 5 and top 10 suppliers contributed 90.37 % and 98.01 % respectively for the year ended 31<sup>st</sup> December, 2018 based on standalone financials. The cost and availability of such products are subject to a variety of factors and any increase in their cost and their availability w.r.t its pricing or availability could adversely affect our profit margins, sales and operations. Since, we do not enter into any contract or agreement with our suppliers, we may not be able to assure you that a particular supplier will continue to supply the required products to us in the future. Any change in the supplying pattern of our products can adversely affect our business and profits. Though we enjoy favourable terms from the suppliers both in terms of prices as well as supplies, our inability to obtain high quality materials in a timely and cost-effective manner would cause unnecessary delays in our execution cycles and delivery schedules, which may result in the loss of our customers and revenues.

**19. *Our results of operations and cash flows could be adversely affected, if we are unable to collect our dues and receivables from, or invoice our unbilled services to, our clients.***

Our business depends on our ability to successfully obtain payment from our clients customers, primarily distributors. We might need to adjust our provisions, as a result of difference between actual losses on customer’s balances and from those that we currently anticipate. There is no guarantee that we will accurately assess the creditworthiness of our customers. Such conditions could cause customers to delay payment, request modifications of their payment terms, or default on their payment obligations to us, all of which could increase our receivables which may be received in full or in part or not at all. Our results of operations and cash flows could be adversely affected, if we experience delays in the collection of, or be unable to collect, our customer balances. In addition, if we experience delays in billing and collection for our services, our cash flows could be adversely affected.

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

We may encounter problems in executing the orders in relation to our products or executing it on a timely basis. Moreover, factors beyond our control or the control of our customers may result in the postponement of the delivery of products or cause its cancellation. Accordingly, it is difficult to predict with certainty that, when, and to what extent we may be able to deliver the orders placed. Any failure to adhere to the conditions which may be beyond our control may subject us to liquidated damages which could have an effect on the result of operation and cash flow. However, we have always followed policy of timely delivery of goods, execution of orders and ensuring customer satisfaction.

**21. *Our Key Management Personnel are associated with our Company for less than one year.***

Our Key Management Personnel i.e. Mr. Rajbir Kaushik (Chief Financial Officer) and Mr. Anuj Kumar Choudhary (Company Secretary & Compliance Officer) are associated with the Company for a period of less than one year. For details of Key Management Personnel and their appointment, please refer to chapter “*Our Management*” beginning on page 128 of this Red Herring Prospectus.

**22. *Our Company also has not complied with certain statutory provisions under Companies Act. Such non-compliances/lapses may attract penalties.***

Our Company has not complied with certain statutory provisions such as the following:

- Non-compliance with section 203 of Companies Act, 2013. However, our Company has now appointed a Company Secretary and Chief Financial Officer to look after the legal, secretarial and financial functions of the Company.
- Non-compliance of section 185 of the Companies Act, 2013. However, as on the date of filing of this Red Herring Prospectus, the Company is in compliance with the said section.
- Non-Compliance of Section 118(10) of the Companies Act, 2013 in relation to Secretarial Standards issued by Institute of Company Secretaries of India.

Additionally, our Company has incorporated subsidiary ‘Blue Wave Trading H.K. Limited’ during the financial year 2015-16. However, remittance towards share application money was made during the financial year 2017-18. Since, amount of remittance was not made in the year 2015-16 and 2016-17, amount of investment has not been shown in the standalone financials for such period. Accordingly, our Company has taken necessary steps to re-file the financial statements for the financial year ended 2015-16 and 2016-17.

No show cause notice in respect of the above has been received by the Company till date, any penalty imposed for such non-compliance in future by any regulatory authority could affect our financial conditions to that extent. Such noncompliance may in the future render us liable to statutory penalties and disallowing the resolutions, which may have consequence of violation of statutory provisions concerned.

**23. *Our Company is dependent on third party transportation for the delivery of goods and any disruption in their operations or a decrease in the quality of their services could affect our Company's reputation and results of operations.***

Our Company uses third party transportation for delivery of our goods. Though our business has not experienced any disruptions due to transportation strikes in the past, any future transportation strikes may have an adverse effect on our business. These transportation facilities may not be adequate to support our existing and future operations. In addition goods may be lost or damaged in transit for various reasons including but not limited to occurrence of accidents or natural disasters. There may also be delay in delivery of products which may also affect our business and results of operation negatively. An increase in the freight costs or unavailability of freight for transportation of our goods may have an adverse effect on our business and results of operations.

Further, disruptions of transportation services due to weather-related problems, strikes, lockouts, inadequacies in the road infrastructure and port facilities, or other events could impair ability to procure goods on time. Any such disruptions could materially and adversely affect our business, financial condition and results of operations.

**24. *Our Company requires significant amounts of working capital for a continued growth. Our inability to meet our working capital requirements may have an adverse effect on our results of operations.***

Our business is working capital intensive. A significant portion of our working capital is utilized towards trade receivables and trade payables. We intend to continue growing by reaching out to new customers and also increasing

sales to the existing customers and thereby reaching to other geographical areas. All these factors may result in increase in the quantum of current assets. Our inability to maintain sufficient cash flow, credit facility and other sources of fund, in a timely manner, or at all, to meet the requirement of working capital could adversely affect our financial condition and result of our operations. For further details regarding working capital requirement, please refer to the chapter titled “*Objects of the Issue*” beginning on page 71 of this Red Herring Prospectus. A brief summary of our working capital position based on our Restated Consolidated Financials is given below:-

*Amount (Rs. In lakhs)*

Particulars	December 31, 2018	For the year ended		
		Mar-18	Mar-17	Mar-16
<b>A. Current Assets</b>				
(a) Inventories	2,694.40	2,580.05	2,766.78	1,825.54
(b) Trade receivables	6,758.60	9,535.43	2,734.85	3,975.49
(c) Cash and cash equivalents	242.74	202.05	55.87	194.12
(d) Short-term loans and advances	373.63	208.05	115.65	109.38
(e) Other Current Assets	9.33	7.22	12.46	7.61
<b>B. Current Liabilities</b>				
(a) Trade payables	1,838.32	5,617.68	767.06	2,120.37
(b) Other current liabilities	983.76	955.45	460.08	358.77
(c) Short-term provisions	302.99	183.95	128.10	90.08
<b>Working Capital (A-B)</b>	6,953.63	5,775.72	4,330.37	3,542.92
<b>Trade Receivables as % of total current assets</b>	67.06%	76.08%	48.10%	65.04%
<b>Trade Payables as % of total current liabilities</b>	58.82%	83.14%	56.60%	82.53%

25. *Our Company has negative cash flows from its investing activities as well as financing activities in the past 3 years, details of which are given below. Sustained negative cash flow could impact our growth and business.*

Our Company had negative cash flows from its investing and financing activities in the previous years as per the Restated Consolidated Financial Statements and the same are summarized as under:

*Amount (Rs. In lakhs)*

Particulars	December 31, 2018	For the year ended		
		Mar-18	Mar-17	Mar-16
Cash Flow from / (used in) Investing Activities	(0.54)	(65.09)	(84.93)	(1584.67)
Cash Flow from / (used in) Financing Activities	(449.98)	160.63	(311.41)	582.68

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

26. *We generally do business with our customers as we receive orders and do not enter into long-term contracts.*

Our business is dependent on our continuing relationships with our customers. Our Company neither has any long-term contract with any of customers nor has any marketing tie up for our products. Further, our Company has not appointed any exclusive agents for handling its operations. Any change in the buying pattern of our end users or disassociation of major customers can adversely affect the business of our Company. The loss of or interruption of work by, a significant customer or a number of significant customers or the inability to procure new orders on a regular basis or at all may have an adverse effect on our revenues, cash flows and operations.

27. *Our top customers contribute majority of our revenues from operations for the period ended December 31, 2018. Any loss of business from one or more of them may adversely affect our revenues and profitability.*



Our top 5 and top 10 customers contributed 78.91 % and 96.32 % of our revenues for the period ended December 31, 2018 based on standalone financials respectively. Since our business is concentrated among relatively few significant customers, we could experience a reduction in our results of operations, cash flows and liquidity if we lose one or more of these customers or the amount of business we obtain from them is reduced for any reason, including but not limited on account of any dispute or disqualification.

We have also in the past, experienced a delay in receipt of payment from various parties with whom we have conducted business. Accordingly, we cannot assure you that the customers which contribute to the major part of our revenue stream will pay us the amounts due to us on time, or at all. In the event any of our significant customers fail to fulfil their respective obligations, our business, financial condition and results of operations would be adversely affected. While we believe we have maintained good and long term relationships with our customers. However, there can be no assurance that we will continue to have such long term relationship with them. We cannot assure that we shall generate the same quantum of business, or any business at all, from these customers, and loss of business from one or more of them may adversely affect our revenues and profitability.

**28. *We are subject to risks associated with expansion into new geographic regions.***

Expansion into new geographic regions, including different states in India, subjects us to various challenges, including those relating to our lack of familiarity with the culture, legal regulations and economic conditions of these new regions, language barriers, difficulties in staffing and managing such operations, and the lack of brand recognition and reputation in such regions. The risks involved in entering new geographic markets and expanding operations, may be higher than expected, and we may face significant competition in such markets. By expanding into new geographical regions, we could be subject to additional risks associated with establishing and conducting operations, including, laws and regulations, uncertainties and customer's preferences, political and economic stability.

By expanding into new geographical regions, we may be exposed to significant liability and could lose some or all of our investment in such regions, as a result of which our business, financial condition and results of operations could be adversely affected.

**29. *If we are unable to source business opportunities effectively, we may not achieve our financial objectives.***

Our ability to achieve our financial objectives will depend on our ability to identify, evaluate and accomplish business opportunities. To grow our business, we will need to hire, train, supervise and manage new employees, expand our distribution network and to implement systems capable of effectively accommodating our growth. However, we cannot assure you that any such employees will contribute to the success of our business or that we will implement such systems effectively. Our failure to source business opportunities effectively could have a material adverse effect on our business, financial condition and results of operations. It also is possible that the strategies used by us in the future may be different from those presently in use. No assurance can be given that our analyses of market and other data or the strategies we use or plans in future to use will be successful under various market conditions.

**30. *Our failure to compete effectively could have an adverse effect on our business, results of operations, financial condition and future prospects.***

We operate in a highly competitive market with competitors who have been in business longer than we have, with financial and other resources that are far greater than ours. Further, some of our competitors are large domestic and international companies. Thus some of our competitors may have certain other advantages over us, including established track record, superior product offerings, larger product portfolio, technology, research and development capability and greater market penetration, which may allow our competitors to better respond to market trends. They may also have the ability to spend more aggressively on marketing and distribution initiatives and may have more flexibility to respond to changing business and economic conditions than we do. Failure on our part to compete with our competitors may have an adverse effect on our business.

**31. *The Industry that we operate in is an extremely competitive industry and we face risk of duplication of our products which may affect demand for our products.***

Our products are based on customer preference, ongoing and current fashion as well specific needs of customers. We also undertake research activities with our suppliers to ensure that varied range of products are produced. Our

purchase and sales model include various intermediaries who may connect with our competitors and share details of the specialties of our products. We may not be able to protect our trade secrets and may also not be able to defend them. We have not entered into any non-disclosure agreements with our intermediaries and thus our efforts towards our marketing and manufacturing research activities may be leaked to other players in the market. This may affect the demand and exclusivity of our products and make us subject to fierce competition thereby adversely affecting our business, financial condition and results of operations.

**32. *The average cost of acquisition of Equity Shares by our Promoters could be lower than the floor price.***

Our Promoters average cost of acquisition of Equity Shares in our Company may be lower than the Floor Price of the Price Band as may be decided by the Company in consultation with the BRLM. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer chapter title “*Capital Structure*” beginning on page 59 of this Red Herring Prospectus.

**33. *We are subject to various laws and regulations relating to the environment, handling and disposal of certain hazardous materials which are used in our manufacturing facilities. If we fail to comply with such laws and regulations, we can be subjected to prosecution, including imprisonment and fines or incur costs that could have a material adverse effect on the success of our business.***

Due to the nature of our business, we expect to be or continue to be subject to extensive and increasingly stringent environmental, health and safety laws and regulations and various labour, workplace and related laws and regulations, We are also subject to environmental laws and regulations, including but not limited to:

- a. The Environmental Protection Act, 1986, as amended from time to time,
- b. the Air (Prevention and Control of Pollution) Act, 1981, as amended from time to time,
- c. the Water (Prevention and Control of Pollution) Act, 1974, as amended from time to time; and;
- d. other regulations promulgated by the Ministry of Environment and Forest and various statutory and regulatory authorities and agencies in India regulate our handling of hazardous substances and wastes.

We are required to take a number of precautionary measures and follow prescribed practices in this regard. Our failure to comply with the laws could result in us being prosecuted, including our directors and officers responsible for compliance which may result to imprisonment and fines. We may also be liable for damage caused to the environment. Any such action could adversely affect our business and financial condition and reputation of the Company.

**34. *Our inability to maintain an optimal level of inventory for our operations may impact our production activity adversely.***

Our Company procures raw materials from foreign nation, the delivery at our facility from the date of order generally takes around approx. a month’s time. Our operation is entirely dependent on the supply of raw materials from our foreign suppliers as we do not have any local supplier as an alternative. There may be cases in which supply of these raw materials are delayed for any reason which may hamper our manufacturing activity. To ensure seamless manufacturing, we need to maintain an optimum level of inventory, so that manufacturing activity is not hampered at the time of disruption in supply. Inventory of raw material is maintained as per our experience and demand of the product, our inability to maintain sufficient level of inventory may lead to operational issues.

**35. *We operate in a highly competitive environment and may not be able to maintain our market position, which may adversely impact our business, results of operations and financial condition.***

The industry that we operate in particular, is highly competitive and unorganised, and our results of operations and financial condition may be materially adversely affected by competitive pricing and 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. The segment to which we cater is fragmented and continues to be dominated by unorganised suppliers. We believe that in order to compete effectively, we must continue to maintain our reputation, be flexible and innovative in responding to rapidly changing market demands and consumer preference, and offer consumers a wide variety of high quality products at competitive prices. 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.

**36. We require a number of approvals, NOCs, licences, registrations and permits in the ordinary course of our business.**

Some of the approvals of our Company have expired. However, our Company has made their renewal application with concerned authorities. The said pending approvals are as follows:

1. Application for Renewal of Consent to establish and Consent to operate dated June 07, 2018 to Uttarakhand Environmental Protection & Pollution Control.
2. Application for change of name from “**Suich Industries Private Limited**” to “**Suich Industries Limited**” for Import Export Code and GST Registration Certificate under Haryana Goods and Services Tax Act, 2017.
3. Renewal application for license to work a factory under Section 6 of Factories Act, 1948 and under Rule 7 (1) of the Rules made thereunder dated October 22, 2018.

It is important to note that the above approvals, if not granted to our Company in time, may have an adverse effect on our Company.

Any failure to renew the approvals that may expire during the course of our business, or any suspension or revocation of any of the approvals, licences, registrations and permits that have been or may be issued to us, could result in delaying the operations of our business, which may adversely affect our business, financial condition, results of operations and prospects. We cannot assure you that the approvals, licences, registrations and permits issued to us would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. For more information, kindly see the chapter “Government and Other Statutory Approvals” on page 174 of this Red Herring Prospectus.

We depend on certain brand names and our corporate name and logo that we may not be able to protect and/or maintain over the course of our business.

Our ability to market and sell our products depends upon the recognition of our brand names and associated consumer goodwill. Currently, our Company is using four trademarks registered in its name. However, these trademarks are subject to renewal in ten years from the date of their application. In case of failure to renew the said trademarks in time, it may adversely affect our business operations.

Our failure to comply with existing or increased regulations, or the introduction of changes to existing regulations, could adversely affect our business, financial condition, results of operations and prospects.

The material approvals, licences or permits required for our business include trade licence, excise and tax laws, environment laws and shops and establishment licences, among others. Kindly see the chapter “Government and other Statutory Approvals” on page 174 of this Red Herring Prospectus for further details on the required material approvals for the operation of our business.

**37. The shortage or non-availability of power facilities may adversely affect our operations and have an adverse impact on our results of operations and financial condition.**

Our facility requires certain amount of power facilities. The quantum and nature of power requirements of our industry and Company is such that it cannot be supplemented/augmented by alternatively independent sources of power supply since it involves significant capital expenditure and per unit cost of electricity produced which is very high in view of increasing oil prices and other constraints. We are dependent on State Government for meeting our electricity requirements. Any defaults or non-compliance of the conditions may lead to increased costs, thereby affecting the profitability. Further, since we are majorly dependent on third party power supply; there may be factors beyond our control affecting the supply of power.

Any disruption, non-availability of power shall directly affect our production which in turn shall have an impact on profitability and turnover of our Company.

**38. Our manufacturing facilities are located at SIDCUL Haridwar, Uttarakhand. Any delay in production at, or shutdown of, or any interruption for a significant period of time, in these facilities may in turn adversely affect our business, financial condition and results of operations.**

Our Company has its manufacturing facilities located at Haridwar, Uttarakhand. Our success depends on our ability to successfully utilize these manufacturing facilities to its utmost capacities and deliver our products in order to meet our customer demands in a timely manner. Our manufacturing facilities are susceptible to damage or interruption or operating risks, such as human error, power loss, breakdown or failure of equipment, plant and machinery, power supply or processes, performance below expected levels of output or efficiency, obsolescence, terrorist attacks, acts of war, break-ins, natural disasters such as earthquakes and industrial accidents and other similar events beyond our control. Further, our manufacturing facility is also subject to operating risks arising from compliance with the directives of government authorities. Operating risks may result in personal injury and property damage and in the imposition of civil and criminal penalties. If our Company experiences delays in production or shutdowns due to any reason, including disruptions caused by disputes with its workforce or any external factors, our Company's operations will be significantly affected, which in turn would have a material adverse effect on its business, financial condition and results of operations.

**39. *The industry in which we operate is labour intensive and our operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees.***

Our industry being labour intensive is dependent on labour force for carrying out its operations. Shortage of skilled/unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. We have not experienced any major disruptions in our business operations due to disputes or other problems with our work force in the past; however there can be no assurance that we will not experience such disruptions in the future. Such disruptions may adversely affect our business and results of operations and may also divert the management's attention and result in increased costs.

India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. Although our employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain flexible labour policies, and we may face the threat of labour unrest, work stoppages and diversion of our management's attention due to union intervention, which may have a material adverse impact on our business, results of operations and financial condition.

**40. *Conflicts of interest may arise out of common business objects of our Group Company.***

We have a Promoter Group Entity which has similar objects as those which are carried on by our Company. Owing to similar objects, conflict of interests may arise in allocating business opportunities amongst our Company and Promoter Group Entity in circumstances where our respective interests diverge. Further, we do not have any non-compete agreement/ arrangement with our group companies. In cases of conflict, our Promoter may favour other company in which our Promoter has interests. There can be no assurance that our Promoter 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.

**41. *Our Company's failure to maintain the quality standards of the products could adversely impact our business, results of operations and financial condition.***

Our products depend on customer's expectations and choice or demand of the customer and trends in the fashion industry. Any failure to maintain the quality standards of our products may affect our business. Although we have put in place strict quality control procedures, we cannot assure that our products will always be able to satisfy our customers' quality standards. Any negative publicity regarding our Company, or products, including those arising from any deterioration in quality of our products from our vendors, or any other unforeseen events could adversely affect our reputation, our operations and our results from operations.

**42. *We do not own our manufacturing premise and branch office, which we have taken on lease. Any termination of agreements may require us to vacate such premises and adversely affect our business operations.***

Company's manufacturing premises which is located in SIDCUL Haridwar, Uttarakhand is taken on lease from State Industrial Development Corporation of Uttarakhand Limited and branch office which is located in Gurugram, Haryana is taken on rent from M/s. S. G. Consultancy Services is expired as on the date of this Red Herring

Prospectus. If any such lease agreement under which we occupy the premises is not renewed on terms and conditions that are favorable to us, or at all, we may suffer a disruption in our operation which could have a material adverse effect on our business, financial condition and results of operations. If we do not comply with certain conditions of the lease, the lessor may terminate the lease, which could have an adverse effect on our operations and there can be no assurance that renewal of lease agreement with the owner will be entered into. In the event of non-renewal of lease, we may be required to shift our office to a new location and there can be no assurance that the arrangement we enter into in respect of new premises would be on such terms and conditions as the present one.

For more details on properties taken on lease by our Company, please refer section “Land and Properties” in the chapter titled — “*Our Business*” beginning on page 101 of the Red Herring Prospectus.

**43. Any defects in our products could make our Company liable for customer claims, which in turn could affect our Company’s results of operations.**

Our Company is bound by the terms and conditions as stated in the purchase order placed by its customers. There are no specific regulations governing the supply of the same, other than the general law of contracts. Any claims made by these customers for defects in the products, would be subject to these terms and conditions, which are in the nature of normal contractual obligations in India. Any violation of these obligations could impact our Company’s results of operations and financial conditions.

**44. We have not entered into any technical support service for the maintenance and smooth functioning of our equipment’s and machineries, which may affect our performance.**

Our manufacturing processes involve daily use of technical equipment’s and machineries. They require periodic maintenance checks and technical support in an event of technical breakdown or malfunctioning. Our Company has not entered into any technical support service agreements with any third party. However, our Company has an in-house team for maintenance and advancement of machinery. Our failure to reduce the downtime in case such events occur may adversely affect our productivity, business and results of operations.

**45. Our Company has contingent liabilities.**

As on December 31, 2018, our Company has following liabilities as per restated financials, the details for which are as under:

Particulars	Amount (Rs. in. Lakhs)
	December 31, 2018
Bank Guarantees The Asst. Comm. Of Customs, ICS Tughalkabad, New Delhi	3.70
Bank Gurantees The Comm. O Customs, NHAVA SHEVA, Mumbai	14.51
Income Tax CIT-A [A.Y.2016-17]	73.26
Export Obligations	1,103.21
Income Tax Demand pending for A.Y. 2014-15, appeal filled with ITAT ( CIT appeal order dated 27th January, 2017)	12.68
Income Tax Demand pending for A.Y. 2015-16, appeal filled with CIT (A) (order dated 8th January, 2018)	1.78
Value Added Tax Demand pending for F.Y. 2012-13, appeal filled with adjudication before Special commissioner.	160.50

In the event any such contingencies mentioned above were to materialize or if our contingent liabilities were to increase in the future, our financial condition could be adversely affected. For further details, see the section entitled —*Financial Statements* on page 149 of this Red Herring Prospectus.

**46. We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.**

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and cause serious harm to our reputation and goodwill of our Company. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected.

**47. Our operations may be adversely affected in case of industrial accidents at our production facility.**

Usage of heavy machinery, handling of sharp parts of machinery by labour during production process or otherwise, short circuit of power supply for machines, etc. may result in accidents and fires, which could cause indirect injury to our labour, employees, other persons on the site and could also damage our properties thereby affecting our operations. Further, our plant and machinery and personnel may not be covered under adequate insurance for occurrence of particular types of accidents which could adversely hamper our cash flows and profitability.

**48. *Our insurance policies do not cover all risks, specifically risks like product defect/ liability risk, loss of profits and terrorism. In the event of the occurrence of such events, our insurance coverage may not adequately protect us against possible risk of loss.***

Our Company has obtained insurance coverage in respect of certain risks. We have taken insurance policies such as Standard Fire and Special Perils Policy and Burglary. While we believe that we maintain insurance coverage in adequate amounts consistent with size of our business, our insurance policies do not cover all risks, specifically risks like loss of profits, losses due to terrorism, etc. Further, there can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance has been availed. If we suffer a significant uninsured loss or if insurance claim in respect of the subject-matter of insurance is not accepted or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and results of operations may be materially and adversely affected.

For further details, please refer chapter titled “*Our Business*” beginning on page 101 of this Red Herring Prospectus.

**49. *The activities carried out at our manufacturing facilities can cause injury to people or property in certain circumstances.***

The activities carried out at our manufacturing facilities may be potentially dangerous to our employees. While we employ safety procedures in the operation of our manufacturing facilities and maintain what we believe to be adequate insurance, there is a risk that an accident may occur at our manufacturing facilities. An accident may result in personal injury to our employees or the labour deployed at our facilities, destruction of property or equipment, manufacturing or delivery delays, environmental damage, or may lead to suspension of our operations and/ or imposition of liabilities. Any such accident may result in litigation, the outcome of which is difficult to assess or quantify, and the cost of defending such litigation can be significant. As a result, the costs to defend any action or the potential liability resulting from any such accident or death or arising out of any other litigation, and any negative publicity associated therewith, may have a negative effect on our business, financial condition, results of operations, cash flows and prospects.

**50. *Our lenders have charge over our movable and immovable properties in respect of finance availed by us.***

We have secured our lenders by creating a charge over our movable and immovable properties in respect of loans / facilities availed by us from banks and financial institutions. The total amounts outstanding and payable by us as secured loans were Rs. 3,057.81 Lakhs as on December 31, 2018. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our properties may be forfeited by lenders, which in turn could have significant adverse effect on business, financial condition or results of operations. For further information on the “*Financial Indebtedness*” please refer to page 166 of this Red Herring Prospectus.

**51. *Our lenders have imposed certain restrictive conditions on us under our financing arrangements. Further, our Company has not received “No Objection Certificate” from few of our lenders to undertake the Issue.***

Under our financing arrangements, we are required to obtain the prior, written lender consent for, among other matters, changes in our capital structure, formulate a scheme of amalgamation or reconstruction and entering into any other borrowing arrangement. Further, we are required to maintain certain financial ratios. There can be no assurance that we will be able to comply with these financial or other loan covenants or that we will be able to obtain the consents necessary to take the actions we believe are necessary to operate and grow our business. Our level of existing debt and any new debt that we incur in the future has important consequences. Any failure to comply with these requirements or other conditions or covenants under our financing agreements that is not waived by our lenders or is not otherwise cured by us, may require us to repay the borrowing in whole or part and may include other related costs. Our Company may be forced to sell some or all of its assets or limit our operations. This may adversely affect our ability to conduct our business and impair our future growth plans. For further information, see the chapter titled “*Financial Indebtedness*” on page 166 of the Red Herring Prospectus. Further, as on the date of this Red Herring

Prospectus, we have not received “No Objection Certificate” from State Bank of India. We cannot assure you that the lenders will grant us “No Objection Certificate” for this Issue. Non receipt of such “No Objection Certificate” could lead to non-compliance of the terms of loan agreements entered into by our Company with the lenders.

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

**52. *The deployment of funds raised through this Issue shall not be subject to any Monitoring Agency and shall be purely dependent on the discretion of the management of our Company.***

Since, the Issue size is less than Rs.10,000 lakh, there is no mandatory requirement of appointing an independent Monitoring Agency for overseeing the deployment of utilization of funds raised through this Issue. The deployment of these funds raised through this Issue, is hence, at the discretion of the management and the Board of Directors of our Company and will not be subject to monitoring by any independent agency. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

However, Audit Committee will monitor the utilization of the proceeds of this Issue and prepare the statement for utilization of the proceeds of this Issue. However in accordance with Section 27 of the Companies Act, 2013, a company shall not vary the objects of the Issue without our Company being authorised to do so by our shareholders by way of special resolution and other compliances in this regard. Our Promoters and controlling shareholder shall provide 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.

**53. *Within the parameters as mentioned in the chapter titled ‘Objects of this Issue’ beginning on page 71 of this Draft Red Herring Prospectus, our Company’s management will have flexibility in applying the proceeds of this Issue. The fund requirement and deployment mentioned in the Objects of this Issue have not been appraised by any bank or financial institution.***

We intend to use Issue Proceeds towards meeting the fund required towards repayment of secured loan, working capital, general corporate purpose and to meet the issue expenses. The deployment of the fund is based on certain assumptions and strategy which our Company believes to implement in future. The funds raised from the Issue may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc., For further details on the use of the Issue Proceeds, please refer chapter titled “Objects of the Issue” beginning on page 71 of this Red Herring Prospectus.

The deployment of funds for the purposes described above is at the discretion of our Company’s Board of Directors. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution. Accordingly, within the parameters as mentioned in the chapter titled ‘Objects of the Issue’ beginning on page 71 of this Red Herring Prospectus, the Management will have significant flexibility in applying the proceeds received by our Company from the Issue. Our Audit Committee will monitor the proceeds of this Issue.

**54. *We have not made any alternate arrangements for meeting our capital requirements for the Objects of the issue. Further we have not identified any alternate source of financing the ‘Objects of the Issue’. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.***

As on date of this Red Herring Prospectus, we have not made any alternate arrangements for meeting our capital requirements for the objects of the issue. We meet our capital requirements through our bank finance, owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further, we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this issue or any shortfall in the issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details please refer to the chapter titled “Objects of the Issue” beginning on page 71 of this Red Herring Prospectus.

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

After completion of the Issue, our Promoters and Promoter Group will collectively own 69.72% of the Equity Shares. As a result, our Promoter together with the members of the Promoter Group will be able to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act and our AoA. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company.

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

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

As on December 31, 2018, our Company has unsecured loans amounting to Rs. 29.51 lakhs from related and other parties that are repayable on demand to the relevant lender. Further, some of these loans are not repayable in accordance with any agreed repayment schedule and may be recalled by the relevant lender at any time. Any such unexpected demand or accelerated repayment may have a material adverse effect on the business, cash flows and financial condition of the borrower against which repayment is sought. Any demand from lenders for repayment of such unsecured loans, may adversely affect our cash flows. For further details of unsecured loans of our Company, please refer the chapter titled “*Financial Statements as Restated*” beginning on page 149 of this Red Herring Prospectus.

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

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

**58. *Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.***

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see “*Dividend Policy*” on page 148 of this Red Herring Prospectus.

**59. *Our success depends in large part upon the strength of our management team and other highly skilled professionals. If we fail to attract, retain and manage transition of these personnel, our business may be unable to grow and our revenue could decline.***

The continued efforts of the senior members of our management team and other highly skilled professionals are critical to our success. Our ability to execute project engagements and to obtain new clients depends in large part on our ability to attract, train, motivate and retain skilled and unskilled professionals, especially senior management personnel, senior technical personnel, project managers and software engineers.

The attrition rate of employees in our industry is generally high. If we cannot hire and retain additional qualified personnel, our ability to bid on and obtain new projects and to continue to expand our business will be impaired and our revenue could decline. We believe that there is significant competition within our industry for professionals with the skills necessary to perform the services we offer, particularly in the locations in which we have operations.



We may not be able to hire and retain enough skilled and experienced employees to replace those who leave. Increasing competition for technology professionals may also impact our ability to retain personnel. Changes in government policies may also affect our ability to attract hire and retain personnel. If we are unable to offer them higher compensation, we may be unable to attract or retain them. Our business, financial condition and results of operations could be adversely affected if we are unable to manage employee hiring and attrition to achieve a stable and efficient workforce structure.

**60. *In addition to normal remuneration or benefits and reimbursement of expenses, some of our Directors and key managerial personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company.***

Our Directors and Key Managerial Personnel (“KMP”) are interested in our Company to the extent of remuneration paid to them for services rendered and reimbursement of expenses payable to them. In addition, some of our Directors and KMP may also be interested to the extent of their shareholding and dividend entitlement in our Company. For further information, see “*Capital Structure*” and “*Our Management*” on pages 59 and 128, respectively, of this Red Herring Prospectus.

**61. *We have taken guarantees from Promoters in relation to debt facilities provided to us.***

We have taken guarantees from Promoters in relation to our secured debt facilities availed from our Bankers. 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 chapter titled “*Financial Indebtedness*” beginning on page 166 of this Red Herring Prospectus.

**62. *Certain agreements or instruments may be inadequately stamped or may not have been registered as a result of which our operations may be adversely affected.***

Few of our agreements or instruments may not be stamped adequately or registered. The effect of inadequate stamping is that the document is not admissible as evidence in legal proceedings and parties to that agreement may not be able to legally enforce the same, except after paying a penalty for inadequate stamping. The effect of non-registration, in certain cases, is to make the document inadmissible in legal proceedings. Any potential dispute due to non-compliance of local laws relating to stamp duty and registration may adversely impact the operations of our Company.

**63. *Negative publicity could adversely affect our revenue model and profitability.***

Our business is dependent on the trust our customers have in the quality of our products. Any negative publicity regarding our company, brand, including those arising from a drop in quality of products from our vendors, mishaps resulting from the use of our products, or any other unforeseen events could affect our reputation and our results from operations. Further our brand may also be affected if there is any negative publicity associated with our services.

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

Our Company has entered into various transactions with our Promoter, Group Company, Promoter Group and their Relatives. While we believe that all such transactions are conducted on arm’s length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions were not entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in future. There can be no assurance that such transactions, individually or in 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 “*Related Party Transactions*” in Section “*Financial Statements as Restated*” beginning on page 149 of the Red Herring Prospectus.

**65. *Industry information included in this Red Herring Prospectus has been derived from industry reports commissioned by us for such purpose. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate.***

We have relied on the reports of certain independent third party for purposes of inclusion of such information in this Red Herring Prospectus. These reports are subject to various limitations and based upon certain assumptions that are subjective in nature. We have not independently verified data from such industry reports and other sources. Although we believe that the data may be considered to be reliable, their accuracy, completeness and underlying assumptions are not guaranteed and their dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us, or any of our respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Red Herring Prospectus.

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

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

## **ISSUE SPECIFIC RISKS**

**67. *There are restrictions on daily/weekly/monthly 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 the stock exchange 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 exchange 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.

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

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

- Volatility in the India and global capital market;
- Company's results of operations and financial performance;
- Performance of Company's competitors;
- Adverse media reports on Company;
- Changes in our estimates of performance or recommendations by financial analysts;
- Significant developments in India's economic and fiscal policies; and
- Significant developments in India's environmental regulations.

**69. *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 will be determined by Book Built method. This price is based on numerous factors (For further information, please refer chapter titled “*Basis for Issue Price*” beginning on page 78 of this Red Herring 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.

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

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

**71. *Malpractices by some players in the industry affect overall performance of emerging Companies.***

The industry in which our Company operates is subject to risk associated with unethical business practices such as unethical marketing, dishonest advertising, questionable pricing practices, inaccurate claims with regards to safety and efficacy of the product etc. Consumers’ attitude toward the industry today is dominated by a sense of mistrust, paving a way for regulators for stricter entry barriers and introduction of code of conducts; making the entire industry environment regulated and controlled. Malpractices by some players in the industry affects the overall performance of the emerging Companies like our as the industry norms are applicable to all at parity. Any unethical business practices by any industry player or intermediary may impact our business and results of operations.

## **EXTERNAL RISK FACTORS**

### **INDUSTRY RISKS**

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

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

### **OTHER RISKS**

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

As stated in the reports of the Auditor included in this Red Herring Prospectus under chapter “*Financial Statements as restated*” beginning on page 149, the financial statements included in this Red Herring Prospectus are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, and no attempt has been made to reconcile any of the information given in this Red Herring Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in this Red Herring Prospectus. Accordingly, the degree to which the

financial information included in this Red Herring Prospectus will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited.

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

Under the current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Currently, any gain realised on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if securities transaction tax ("STT") has been paid on the transaction. STT will be levied on and collected by an Indian stock exchange on which the equity shares are sold. As such, any gain realised on the sale of equity shares held for more than 12 months by an Indian resident, which are sold other than on a recognised stock exchange and as a result of which no STT has been paid, will be subject to capital gains tax in India. Further, any gain realised on the sale of equity shares held for a period of 12 months or less will be subject to capital gains tax in India. Further, any gain realised on the sale of shares on a stock exchange held for a period of 12 months or less will be subject to short term capital gains tax. Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less which are sold other than on a recognised stock exchange and on which no STT has been paid, will be subject to short term capital gains tax at a relatively higher rate as compared to the transaction where STT has been paid in India. The Finance Act amendments provided that where the equity shares have been acquired on or after October 1, 2004 on which STT has not been paid at the time of acquisition, then the exemption of long-term capital gains under Section 10(38) of the Income Tax Act would not be available. This amendment further provides that the Government of India will notify certain modes of acquisition to which the recent amendment made by the Finance Act would not be applicable and the shares acquired by such modes of acquisition would continue to get the benefit under Section 10(38) of the Income Tax Act. The Ministry of Finance has in the union budget for 2018-19 proposed that any gain in excess of Rs. 100,000 realised on the sale of listed equity shares on a stock exchange held for more than 12 months will be subject to long term capital gains tax of 10% without allowing any benefit of indexation. However, all gains up to January 31, 2018 will be grandfathered. Capital gains arising from the sale of equity shares will be exempt from taxation in India in cases where an exemption is provided under a treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdictions on gains arising from a sale of equity shares.

**75. *Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business and financial performance.***

Our business and financial performance could be adversely affected by unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations applicable to us and our business. Please refer to "Key Industry Regulations and Policies" on page 114 for details of the laws currently applicable to us. There can be no assurance that the Government of India may not implement new regulations and policies which will require us to obtain approvals and licenses from the Government of India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment to, or change to governing laws, regulation or policy in the jurisdictions in which we operate may have a material adverse effect on our business, financial condition and results of operations. In addition, we may have to incur expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations. Any unfavourable changes to the laws and regulations applicable to us could also subject us to additional liabilities.

GST has been implemented with effect from July 1, 2017 and has replaced the indirect taxes on goods and services such as central excise duty, service tax, central sales tax, state VAT and surcharge currently being collected by the central and state governments. The GST is expected to increase tax incidence and administrative compliance. Given the limited availability of information in the public domain concerning the GST, we are unable to provide any assurance as to the tax regime following implementation of the GST. The implementation of this new structure may be affected by any disagreement between certain state Governments, which could create uncertainty. Any future amendments may affect our overall tax efficiency, and may result in significant additional taxes becoming payable.

Further, the general anti avoidance rules ("GAAR") provisions have been made effective from assessment year 2018-19 onwards, i.e.; financial Year 2017-18 onwards and the same may get triggered once transactions are undertaken to avoid tax. The consequences of the GAAR provisions being applied to an arrangement could result

in denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain.

The application of various Indian tax laws, rules and regulations to our business, currently or in the future, is subject to interpretation by the applicable taxation authorities. If such tax laws, rules and regulations are amended, new adverse laws, rules or regulations are adopted or current laws are interpreted adversely to our interests, the results could increase our tax payments (prospectively or retrospectively) and/or subject us to penalties. Further, changes in capital gains tax or tax on capital market transactions or sale of shares could affect investor returns. As a result, any such changes or interpretations could have an adverse effect on our business and financial performance.

**76. *Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.***

The GoI has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

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

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

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

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

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

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

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

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

financial performance, our ability to obtain financing for capital expenditures and the trading price of our Equity Shares.

**81. *Natural calamities could have a negative impact on the Indian economy and cause our Company's business to suffer.***

India has experienced natural calamities such as earthquakes, tsunami, floods etc. in recent years. The extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operations as well as the price of the Equity Shares.

**82. *Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.***

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the terrorist attacks, other incidents such as those in US, Indonesia, Madrid and London, and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade as well the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

**SECTION IV – INTRODUCTION**  
**SUMMARY OF FINANCIAL STATEMENTS**

<b>Particulars</b>	<b>Page No.</b>
Summary of Restated Financials Statements	A1-A3

**SUICH INDUSTRIES LIMITED**

(Amount in Lakhs)

**Annexure 1: Restated Summary Statement of Consolidated Assets and Liabilities**

Particulars	Annexure	As at 31st March			
		December 31, 2018	2018	2017	2016
<b>Equity and liabilities</b>					
<b>Shareholders' funds</b>					
Share capital	6	1,112.90	1,112.90	1,112.90	1,112.90
Reserves and surplus	7	4,060.05	2,914.48	2,171.67	1,639.14
		<b>5,172.95</b>	<b>4,027.38</b>	<b>3,284.57</b>	<b>2,752.04</b>
<b>Non-Current liabilities</b>					
Long-term borrowings	8	313.24	477.40	975.47	1,032.63
Deffered tax liabilities	9	26.45	30.22	53.53	72.03
Long-term provisions	10	4.14	3.64	3.01	2.58
Other Long term Liabilities	11	2.04	2.04	2.04	2.04
<b>Current liabilities</b>					
Short-term borrowings	8	2,774.08	2,744.41	1,596.84	1,465.05
Trade payables	12				
- total outstanding dues other than micro and small enterprises		1,838.32	5,617.68	767.06	2,120.37
Other current liabilities	13	983.76	955.45	460.08	358.77
Short-term provisions	10	302.99	183.95	128.10	90.08
		<b>6,245.02</b>	<b>10,014.78</b>	<b>3,986.13</b>	<b>5,143.54</b>
<b>Total</b>		<b>11,417.98</b>	<b>14,042.15</b>	<b>7,270.70</b>	<b>7,895.58</b>
<b>Assets</b>					
<b>Non-current assets</b>					
Property, plant and equipment	14	1,225.30	1,392.65	1,571.93	1,772.18
Intangible Assets	14	0.93	1.13	1.40	1.61
Goodwill on account of Consolidation		0.25	0.25		
Long-term loans and advances	15	112.80	115.33	11.89	9.82
		<b>1,339.28</b>	<b>1,509.36</b>	<b>1,585.22</b>	<b>1,783.62</b>
<b>Current assets</b>					
Inventories	16	2,694.40	2,580.05	2,766.78	1,825.54
Trade receivables	17	6,758.60	9,535.43	2,734.85	3,975.49
Cash and bank balances	18	242.74	202.05	55.87	194.12
Short-term loans and advances	15	373.63	208.05	115.65	109.38
Other Current assets	19	9.33	7.22	12.46	7.61
		<b>10,078.70</b>	<b>12,532.80</b>	<b>5,685.60</b>	<b>6,112.13</b>
<b>Total</b>		<b>11,417.98</b>	<b>14,042.15</b>	<b>7,270.70</b>	<b>7,895.58</b>

**Note:**

The above statement should be read with the Statement of Notes to the Restated Financial Information of the Company in Annexure 4

As per our report of even date attached

**For Amarnath Sharma & Co.**  
Chartered Accountants  
Firm Registration No.: 100300W

**For and on behalf of the Board of Directors**

**Amarnath Sharma**  
Proprietor  
Membership No. :- 039579

**Gunnit Singh Allagh**  
Managing Director  
DIN :- 02195678

**Sanchit Allagh**  
Whole -Time Director  
DIN :- 02195744

Place: Mumbai  
Date : 16-03-2019



# SUICH INDUSTRIES LIMITED

(Amount in Lakhs)

## Annexure 2: Restated Summary Statement of Consolidated Profit and Loss

Particulars	Annexure	For the year ended 31st March			
		December 31, 2018	2018	2017	2016
<b>Revenue</b>					
Revenue from operations	21	14,005.73	19,978.97	14,275.35	10,645.95
Other income	22	9.99	299.64	161.16	11.57
<b>Total revenue</b>		<b>14,015.72</b>	<b>20,278.61</b>	<b>14,436.51</b>	<b>10,657.52</b>
<b>Expenses</b>					
Cost of materials consumed	23	11,851.02	18,322.94	12,515.75	10,053.05
Changes in stock-in-trade	24	(205.06)	(585.48)	59.35	(641.75)
Employee benefits expense	25	126.87	138.41	127.61	91.55
Finance costs	26	315.49	488.86	402.97	369.57
Depreciation and amortisation expense	27	167.59	257.22	288.66	214.34
Other expenses	28	311.31	787.56	415.51	158.53
<b>Total expenses</b>		<b>12,567.21</b>	<b>19,409.52</b>	<b>13,809.84</b>	<b>10,245.29</b>
<b>Profit before tax and Extra Ordinary item</b>		<b>1,448.51</b>	<b>869.10</b>	<b>626.67</b>	<b>412.23</b>
Profit Before Extraordinary Item & Tax		<b>1,448.51</b>	<b>869.10</b>	<b>626.67</b>	<b>412.23</b>
<b>Extraordinary Item</b>			-	-	-
Profit Before Tax		1,448.51	869.10	626.67	412.23
<b>Tax expense</b>					
Current tax		(304.10)	(170.05)	(122.37)	(84.53)
Deferred tax (credit)/charge		3.77	23.31	18.50	(77.72)
MAT Credit Entitlements		-	20.55	9.71	50.54
<b>Profit for the period / year</b>		<b>1,148.18</b>	<b>742.92</b>	<b>532.51</b>	<b>300.52</b>

### Note:

The above statement should be read with the Statement of Notes to the Restated Financial Information of the Company in Annexure

As per our report of even date attached

**For Amarnath Sharma & Co.**  
Chartered Accountants  
Firm Registration No.: 100300W

**For and on behalf of the Board of Directors**

**Amarnath Sharma**  
Proprietor  
Membership No. :- 039579

**Gunnit Singh Allagh**  
Managing Director  
DIN :- 02195678

**Sanchit Allagh**  
Whole -Time Director  
DIN :- 02195744

Place: Mumbai  
Date : 16-03-2019

**SUICH INDUSTRIES LIMITED**

(Amount in Lakhs)

**Annexure 3: Restated Summary Statement of Consolidated Cash Flows**

Particulars	As at 31st March			
	December 31, 2018	2018	2017	2016
<b>A. Cash flow from operating activities</b>				
Profit before tax, as restated	1,448.51	869.10	626.67	412.23
Adjustments for :				
Depreciation and amortisation expense	167.59	257.22	288.66	214.34
Finance costs	315.49	488.86	402.97	369.57
Provision for Gratuity	0.59	1.02	0.58	1.03
Interest income on deposits	(2.11)	(2.70)	(3.30)	(3.41)
Capital Reserve on account of consolidation	-	-	0.06	-
Goodwill on consolidation of Capital Reserve	-	(0.31)	-	-
Profit on Sale Of Fixed Assets	-	(9.94)	-	-
Realised Foreign Exchange Loss (Net)	41.69	(276.21)	(149.70)	6.05
<b>Operating profit before working capital changes</b>	<b>1,971.76</b>	<b>1,327.05</b>	<b>1,165.93</b>	<b>999.82</b>
<b>Changes in working capital:</b>				
Increase / (decrease) in Sundry Creditor	(3,821.63)	5,126.44	(1,248.85)	1,567.33
Increase / (decrease) in Other Current Liabilities	28.31	495.26	84.34	(198.28)
(Increase) / decrease in Inventories	(114.35)	186.73	(941.24)	(466.88)
(Increase) / decrease in trade receivables	2,776.83	(6,800.59)	1,240.64	(1,801.76)
(Increase) / decrease in loans and advances and other	(165.17)	(190.59)	32.05	635.70
(Increase) / decrease in Change in Provisions	119.55	55.84	30.11	(6.00)
<b>Cash generated from / (utilised in) operations</b>	<b>795.31</b>	<b>200.13</b>	<b>362.99</b>	<b>729.91</b>
Less : Income tax paid	(304.10)	(149.49)	(104.89)	(33.99)
<b>Net cash flow generated from/ (utilised in) operating activities (A)</b>	<b>491.21</b>	<b>50.64</b>	<b>258.10</b>	<b>695.92</b>
<b>B. Cash flow from investing activities</b>				
Purchase of Fixed Assets (Incl. WIP)	(2.65)	(85.89)	(88.23)	(1,588.08)
Sale of Fixed assets	-	18.10	-	-
Interest received	2.11	2.70	3.30	3.41
<b>Net cash flow utilised in investing activities (B)</b>	<b>(0.54)</b>	<b>(65.09)</b>	<b>(84.93)</b>	<b>(1584.67)</b>
<b>C. Cash flow from financing activities</b>				
Repayment of long-term borrowings	(164.16)	(498.07)	(40.25)	673.39
Proceeds from / (repayment of) short-term borrowings	29.67	1,147.56	131.80	278.88
Interest paid	(315.49)	(488.86)	(402.97)	(369.58)
Proceeds from issuance of shares	-	-	-	-
<b>Net cash flow generated from/ (utilised in) financing activities (C)</b>	<b>(449.98)</b>	<b>160.63</b>	<b>(311.41)</b>	<b>582.68</b>
<b>Net (decrease)/ increase in cash &amp; cash equivalents (A+B+C)</b>	<b>40.69</b>	<b>146.18</b>	<b>(138.24)</b>	<b>(306.07)</b>
Cash and cash equivalents at the beginning of the	202.05	55.87	194.12	500.18
<b>Cash and cash equivalents at the end of the period/ (Refer Annexure 16)</b>	<b>242.74</b>	<b>202.05</b>	<b>55.87</b>	<b>194.12</b>
<b>Cash and cash equivalents comprise:</b>				
Cash on hand	140.92	42.01	20.44	94.70
Balances with banks in current accounts	101.82	160.04	35.42	99.41
<b>Total</b>	<b>242.74</b>	<b>202.05</b>	<b>55.87</b>	<b>194.12</b>

1. The Cash Flow statement has been prepared under Indirect method as per Accounting Standard-3 "Cash Flow Statements

2. Figures in Brackets represent outflows

3. The above statement should be read with the Restated Statement of Consolidated Assets and Liabilities, Statement of Profit and loss, Significant Accounting Policies and Notes to Accounts as appearing in Annexure 1, 2 and 4 respectively

As per our report of even date attached

**For Amarnath Sharma & Co.**  
 Chartered Accountants  
 Firm Registration No.: 100300W

**For and on behalf of the Board of Directors**

**Amarnath Sharma**  
 Proprietor  
 Membership No. :- 039579

**Gunnit Singh Allagh**  
 Managing Director  
 DIN :- 02195678

**Sanchit Allagh**  
 Whole -Time Director  
 DIN :- 02195744

Place : Mumbai  
 Date : 16-03-2019 :

## THE ISSUE

The following table summarizes the Issue details:

Particulars	Details of Equity Shares
Issue of Equity Shares by Our Company <sup>(1)</sup>	Issue of up to 41,15,200* Equity Shares of face value of Rs. 10/- each fully paid up of the Company for cash at a price of Rs. [●]/- per Equity share aggregating Rs. [●] Lakhs <sup>(2)</sup>
<b>Consisting of:</b>	
Market Maker Reservation Portion	2,08,000 Equity Shares of face value of Rs. 10/- each fully paid up of the Company for cash at a price of Rs. [●] /- per Equity share aggregating Rs. [●] Lakhs
Net Issue to the Public	Up to 39,07,200 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at a price of Rs. [●] /- per share aggregating Rs. [●] Lakhs
<b>Of Which</b>	
<b>A. QIB Portion</b> <sup>(3) (4)</sup>	No shares shall be reserved for allocation to QIBs. **
<b>B. Retail Portion</b> <sup>(3) (4)</sup>	19,55,200 Equity Shares of face value of Rs. 10/- each
<b>C. Non-Institutional Portion</b> <sup>(3) (4)</sup>	19,52,000 Equity Shares of face value of Rs. 10/- each
<b>Pre and Post Issue Equity Shares</b>	
Equity Shares outstanding prior to the Issue	1,11,29,000 Equity Shares of face value of Rs.10/- each
Equity Shares outstanding after the Issue	Up to 1,52,44,200 Equity Shares of face value of Rs.10/- each
Utilization of proceeds of this Issue	For further details please refer chapter titled “ <i>Objects of the Issue</i> ” beginning on page 71 of this Red Herring Prospectus for information on use of Issue Proceeds.

\*Number of shares may need to be adjusted for lot size upon determination of issue price.

\*\*There are no equity shares reserved for allocation to QIB Portion. However, QIBs can apply in the Non-Institutional Portion.

### Notes:-

- 1) The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.
- 2) The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on January 15, 2019 and by the shareholders of our Company vide a special resolution passed pursuant to section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting held on February 8, 2019.
- 3) The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, wherein not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs. Further not less than 15 % of the Net Issue shall be available for allocation on a proportionate basis to Non Institutional Bidders and not less than 35 % of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price. For further details, see “Issue Procedure” beginning on page 195 of this Red Herring Prospectus.
- 4) In the event of over-subscription, Allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category, would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange.

For further details please refer to section titled ‘Issue Information’ beginning on page 187 of this Red Herring Prospectus.

## GENERAL INFORMATION

Our Company was originally incorporated as “Delhi Fone N Batteries Private Limited” at Delhi, as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated July 17, 2008 issued by the Assistant Registrar of Companies, National Capital Territory of Delhi and Haryana bearing Corporate Identification Number U51506DL2008PTC181023. Subsequently, pursuant to a special resolution passed by the members of our Company in the Extra-ordinary General Meeting held on October 11, 2012, the name of our Company was changed to “Suich India Private Limited” and a Fresh Certificate of Incorporation, consequent upon change of name, dated October 15, 2012 was issued by Registrar of Companies, National Capital Territory of Delhi and Haryana. Further, pursuant to a special resolution passed by the members of our Company at the Extra-ordinary General Meeting held on December 06, 2012, the name of our Company was further changed to “Suich Industries Private Limited” and a Fresh Certificate of Incorporation, consequent upon change of name, dated December 12, 2012 was issued by Registrar of Companies, National Capital Territory of Delhi and Haryana. Subsequently, our Company was converted into a Public Limited Company pursuant to special resolution passed in Extra-ordinary General Meeting of our Company held on February 06, 2018, and the name of our Company was changed to “Suich Industries Limited”. A fresh Certificate of Incorporation consequent upon conversion from Private Limited Company to Public Limited Company dated February 21, 2018 was issued by the Registrar of Companies, Delhi. The Corporate Identification Number of our Company is U51506DL2008PLC181023.

For details of Business, Incorporation, change of name and Registered Office of our Company, please refer to chapter titled “*Our Business*” and “*Our History and Certain Other Corporate Matters*” beginning on page 101 and 125 of this Red Herring Prospectus.

### REGISTERED & CORPORATE OFFICE OF OUR COMPANY

#### Suich Industries Limited

Plot no - 68, 3rd floor,  
Block no. 5 W.E.A, Naiwala,  
Karol Bagh New Delhi-110 005 India

**Tel:** 011-45607111

**Email:** [info@suichgroup.com](mailto:info@suichgroup.com)

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

**Corporate Identification Number:** U51506DL2008PLC181023

### REGISTRAR OF COMPANIES

#### Registrar of Companies, Delhi and Haryana

A) 4th Floor, IFCI Tower,  
61, Nehru Place,  
New Delhi – 110019, India

**Website:** [www.mca.gov.in](http://www.mca.gov.in)

### DESIGNATED STOCK EXCHANGE

#### BSE Limited

P. J. Towers, Dalal Street,  
Fort, Mumbai- 400001,  
Maharashtra, India

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

### BOARD OF DIRECTORS OF OUR COMPANY

The following table sets out details regarding our Board as on the date of this Red Herring Prospectus:

Sr. No.	Name	Age (in Years)	DIN	Address	Designation
1.	Gunnit Singh Allagh	36	02195678	S-51, Pansheel Park, Malviya Nagar, South Delhi, Delhi-110017, India	Chairman and Managing Director
2.	Sanchit Allagh	34	02195744	C - 104, G/F Anand Niketan, Chanakya Puri New Delhi, Delhi-110021, India	Whole Time Director

Sr. No.	Name	Age (in Years)	DIN	Address	Designation
3.	Dinesh Suri	41	01432499	2/69, Block -2, Roop Nagar, Delhi-110007, India	Independent Director
4.	Upneet Chahal Birinder	35	08111462	C-11 Rajouri Garden, Tagore Garden, West Delhi, Delhi -110027, India	Independent Director

For further details of our Directors, please refer to the chapter titled “*Our Management*” beginning on page 128 of this Red Herring Prospectus.

#### CHIEF FINANCIAL OFFICER

**Rajbir Kaushik**

**Suich Industries Limited**

Plot no - 68, 3<sup>rd</sup> Floor,

Block no. 5 W.E.A, Naiwala,

Karol Bagh New Delhi-110005 India

Tel: 011 45607111

Email: [cfosuichindustries@suichgroup.com](mailto:cfosuichindustries@suichgroup.com)

Website: [www.suichgroup.com](http://www.suichgroup.com)

#### COMPANY SECRETARY & COMPLIANCE OFFICER

**Anuj Kumar Choudhary**

**Suich Industries Limited**

Plot no - 68, 3<sup>rd</sup> Floor,

Block no. 5 W.E.A, Naiwala,

Karol Bagh New Delhi-110005 India

Tel: 011 45607111

Email: [cssuichindustries@suichgroup.com](mailto:cssuichindustries@suichgroup.com)

Website: [www.suichgroup.com](http://www.suichgroup.com)

**Investors can contact the Company Secretary and Compliance Officer, the BRLM 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, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode.**

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

Further, the investor shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

#### STATUTORY AUDITOR

**M/s Amarnath Sharma & Co**

**Chartered Accountants**

607 IJMIMA Complex, Raheja's Metroplex,

Link road, Malad west

Mumbai-400064, India

Tele No.: 022-49240183

Email: [amarnathsharmaandco@gmail.com](mailto:amarnathsharmaandco@gmail.com)

Contact Person: Amarnath Sharma

Firm Registration No.: 100300W

Membership No.: 039579

M/s. Amarnath Sharma & Co. Chartered Accountants holds a valid peer review certificate dated January 11, 2017 and valid until January 10, 2021 issued by the Institute of Chartered Accountants of India.

#### **BOOK RUNNING LEAD MANAGER**

##### **Pantomath Capital Advisors Private Limited**

406-408, Keshava Premises, Behind Family Court,  
Bandra Kurla Complex, Bandra (East)  
Mumbai 400 051, Maharashtra, India

**Tel:** +91 22 6194 6700

**Fax:** + 91 22 2659 8690

**Email:** [ipo@pantomathgroup.com](mailto:ipo@pantomathgroup.com)

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

**Contact Person:** Hardik Bhuta

**SEBI Registration No:** INM000012110

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

##### **Link Intime India Private Limited**

C-101, 1<sup>st</sup> Floor, 247 Park, L.B.S. Marg, Vikhroli (West),  
Mumbai - 400083, Maharashtra, India.

**Tel:** 022-49186200

**Fax:** 022-49186195

**Email:** [suich.ipo@linintime.co.in](mailto:suich.ipo@linintime.co.in)

**Website:** [www.linkintime.co.in](http://www.linkintime.co.in)

**Contact Person:** Shanti Gopalkrishnan

**SEBI Registration Number:** INR000004058

#### **LEGAL ADVISOR TO THE ISSUE**

##### **M V Kini, Law Firm**

Kini House, 216/263, 1<sup>st</sup> Floor, Near Citi Bank,  
D. N. Road, Fort, Mumbai - 400 001, Maharashtra, India

**Tel:** +91 22 22612527/28/29

**Fax:** +91 22 22612530

**E-mail:** [vidisha@mvkini.com](mailto:vidisha@mvkini.com)

**Contact Person:** Vidisha Krishan

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

#### **PUBLIC ISSUE BANK/ BANKER TO THE ISSUE AND REFUND BANKER**

<b>ICICI Bank Limited</b> Capital Market Division, 1st Floor, 122, Mistry Bhavan, Dinshaw Vachha Road, Backbay Reclamation, Churchgate, Mumbai – 400 020 <b>Tel:</b> 022- 66818923/924/933 <b>Fax:</b> 022- 22611138 <b>Email:</b> <a href="mailto:meghana.avala@icicibank.com">meghana.avala@icicibank.com</a> <b>Contact Person:</b> Meghana Avala <b>Website:</b> <a href="http://www.icicibank.com">www.icicibank.com</a> <b>SEBI Registration Number:</b> INBI00000004	<b>IndusInd Bank Limited</b> IndusInd Bank, PNA House, 4th Floor Plot No 57 & 57/1, Road No. 17, Near SRL, MIDC, Andheri East Mumbai – 400093 <b>Tel :</b> +91 22 61069243/44/45 <b>Fax :</b> +91 22 61069315 <b>Email:</b> <a href="mailto:sunil.fadtari@indusind.com">sunil.fadtari@indusind.com</a> <b>Contact Person:</b> Sunil Fadtari <b>Website:</b> <a href="http://www.indusind.com">www.indusind.com</a> <b>SEBI Registration Number:</b> INBI00000002
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#### **SYNDICATE MEMBER**

##### **Pantomath Stock Brokers Private Limited**

108, Madhava Premises, Behind Family Court,  
Bandra Kurla Complex, Bandra (East), Mumbai-400051  
Maharashtra, India

**Tel:** +91 22 4257 7000  
**Fax:** +91 22 2659 8690  
**Email:** [broking@pantomathgroup.com](mailto:broking@pantomathgroup.com)  
**Contact Person:** Mahavir Toshniwal  
**SEBI Registration Number:** INZ000068338

## **SPONSOR BANK**

### **ICICI Bank Limited**

Capital Market Division, 1st Floor,  
122, Mistry Bhavan, Dinshaw Vachha Road,  
Backbay Reclamation, Churchgate, Mumbai – 400 020  
**Tel:** 022- 66818923/924/933  
**Fax:** 022- 22611138  
**Email:** [meghana.avalala@icicibank.com](mailto:meghana.avalala@icicibank.com)  
**Contact Person:** Meghana Avala  
**Website:** [www.icicibank.com](http://www.icicibank.com)  
**SEBI Registration Number:** INBI00000004

## **DESIGNATED INTERMEDIARIES**

### **Self-Certified Syndicate Banks**

The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (ASBA) Process are provided on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on Designated Branches of SCSBs collecting the Bid Cum Application Forms, please refer to the above mentioned SEBI link.

### **Investors Banks or Issuer Banks for UPI**

The list of Self Certified Syndicate Banks that have been notified by SEBI to act as Investors Bank or Issuer Bank for UPI mechanism are provide on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. For details on Designated Branches of SCSBs collecting the Bid Cum Application Forms, please refer to the above mentioned SEBI link.

### **Registered Brokers**

Bidders can submit Bid cum Application Forms in the Issue using the stock brokers network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time. For details on Registered Brokers, please refer <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

### **Registrar to Issue and Share Transfer Agents**

The list of the RTAs eligible to accept Bid cum Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of the SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, as updated from time to time.

### **Collecting Depository Participants**

The list of the CDPs eligible to accept Bid cum Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange. 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](http://www.sebi.gov.in)) on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time.

## **CREDIT RATING**

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

## **IPO GRADING**

Since the Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, there is no requirement of appointing an IPO Grading agency.

## **APPRAISAL AND MONITORING AGENCY**

As per regulation 262(1) of the SEBI ICDR Regulations, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs. 10,000 Lakhs. Since the Issue size is only of Rs. [●] lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

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

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

## **EXPERT OPINION**

Except the report of the Peer Reviewed Auditor on statement of tax benefits and report on restated financials for the period ended December 31, 2018 and financial year ended March 31, 2018, 2017 and 2016 as included in this Red Herring Prospectus, our Company has not obtained any expert opinion.

## **DEBENTURE TRUSTEE**

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

## **FILING OF OFFER DOCUMENT**

The Draft Red Herring Prospectus has not been filed with SEBI, nor has SEBI issued any observation on the Offer Document in terms of Regulation 246 of SEBI (ICDR), 2018. However, pursuant to sub regulation (5) of regulation 246, the copy of Draft Red Herring Prospectus shall also be furnished to the board in a soft copy. Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Red Herring Prospectus and Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. A copy of the Red Herring Prospectus along with the documents required to be filed under Section 32 of the Companies Act, 2013 will be delivered to the Registrar of Companies, Delhi and Haryana, situated at A) 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi – 110019, India.

## **BOOK BUILDING PROCESS**

Book building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band shall be determined by our Company in consultation with the BRLM in accordance with the Book Building Process, and advertised in all editions of a widely circulated English Newspaper, all editions of a widely circulated Hindi Newspaper and a widely circulated Naya India Newspaper, Hindi being the regional language of Delhi, where our registered office is situated at least two working days prior to the Bid/ Issue Opening date. The Issue Price shall be determined by our Company, in consultation with the BRLM in accordance with the Book Building Process after the Bid/Issue Closing Date. Principal parties involved in the Book Building Process are:-

- Our Company;
- The Book Running Lead Manager in this case being Pantomath Capital Advisors Private Limited,
- The Syndicate Member(s) who are intermediaries registered with SEBI/ registered as brokers with BSE Limited and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the BRLM;
- The Registrar to the Issue and;
- The Designated Intermediaries

The SEBI ICDR Regulations have permitted the Issue of securities to the public through the Book Building Process, wherein allocation to the public shall be made as per Regulation 253 of the SEBI ICDR Regulations.

Subject to valid Bids being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for Retail Portion where allotment to each Retail Individual Bidders shall not



be less than the minimum bid lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill over from other categories or a combination of categories.

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public offer may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention are invited to the chapter titled “Issue Procedure” beginning on page 195 of the Red Herring Prospectus.

The process of Book Building under the SEBI ICDR Regulations is subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to making a Bid or application in the Issue.

For further details on the method and procedure for Bidding, please see section entitled “*Issue Procedure*” on page 195 of this Red Herring Prospectus.

**Illustration of Book Building and Price Discovery Process** (Investors should note that this example is solely for illustrative purposes and is not specific to the Issue) Bidders can bid at any price within the price band. For instance, assume a price band of Rs.20.00 to Rs.24.00 per equity share, issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. A graphical representation of the consolidated demand and price would be made available at the bidding centres during the bidding period. The illustrative book below shows the demand for the equity shares of the issuer company at various prices and is collated from bids received from various investors.

Bid Quantity	Bid Price (Rs.)	Cumulative Bid Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired number of shares is the price at which the book cuts off, i.e., Rs. 22/- in the above example. The issuer, in consultation with the Book Running Lead Manager will finalize the issue price at or below such cut-off price, i.e., at or below Rs.22/-. All bids at or above this issue price and cut-off bids are valid bids and are considered for allocation in the respective categories.

**Steps to be taken by the Bidders for Bidding:**

1. Check eligibility for making a Bid (see section titled “*Issue Procedure*” on page 195 of this Red Herring Prospectus);
2. Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
3. Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
4. Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts

and for investors residing in Sikkim is subject to the Depository Participant's verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims

5. Ensure that the Bid cum Application Form is duly completed as per instructions given in this Red Herring Prospectus and in the Bid cum Application Form;

## **BID / ISSUE PROGRAMME**

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

<b>Event</b>	<b>Indicative Date</b>
Bid/Issue Opening Date	Thursday, May 30, 2019
Bid/Issue Closing Date	Tuesday, June 04, 2019
Finalization of Basis of Allotment with the Designated Stock Exchange	Monday, June 10, 2019
Initiation of Refunds / Unblocking of ASBA	Tuesday, June 11, 2019
Credit of Equity Shares to Demat Accounts of Allottees	Wednesday, June 12, 2019
Commencement of trading of the Equity Shares on the Stock Exchange	Thursday, June 13, 2019

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

Bids 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 Bids 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 Bids by Retail Individual Bidders after taking into account the total number of bids received up to the closure of timings and reported by the Book Running Lead Manager to the Stock Exchanges. It is clarified that Bids not uploaded on the electronic system would be rejected. Bids will be accepted only on Working Days. Neither our Company nor the Book Running Lead Manager is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

Non-Retail Bidders shall not be allowed to either withdraw or lower the size of their Bid at any stage. Non-Retail Bidders may revise their Bids upwards (in terms of quantity of Equity Shares) during the Issue Period. Such upward revision must be made using the Revision Form.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid cum Application Form, for a particular Bidder, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / Stock Brokers, as the case may be, for rectified data.

## **WITHDRAWAL OF THE ISSUE**

Our Company, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof.

If our Company withdraws the Issue any time after the Issue Opening Date but before the allotment of Equity Shares, a public notice will be issued by our Company within two (2) Working Days of the Issue Closing Date, providing reasons for not proceeding with the Issue. The notice of withdrawal will be issued in the same newspapers where the Pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one (1) working Day from the day of receipt of such instruction. If our Company withdraws the Offer after the Issue Closing Date and subsequently decides to proceed with an Offer of the Equity Shares, our Company will file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed. Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares offered through the Draft Red Herring Prospectus, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus.

## UNDERWRITER

Our Company and Book Running Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten. The underwriting agreement is dated April 04, 2019 and pursuant to the terms of the underwriting agreement; obligations of the underwriter are subject to certain conditions specified therein. The underwriters have indicated their intention to underwrite following number of specified securities being offered through this Issue.

Name and Address of the Underwriter	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (Rupees in Lakhs)	% of the Total Issue size Underwritten
<b>Pantomath Capital Advisors Private Limited</b> 406-408, Keshava Premises Co-Op Soc. Ltd., Behind Family Court, Bandra Kurla Complex, Bandra East Mumbai 400051 <b>Tel:</b> +91 22 61946700 <b>Fax:</b> + 91 22 26598690 <b>Email:</b> <a href="mailto:ipo@pantomathgroup.com">ipo@pantomathgroup.com</a> <b>Contact Person:</b> Hardik Bhuta <b>SEBI Registration Number:</b> INM000012110	Up to 41,15,200	[•]	100
<b>Total</b>	<b>41,15,200</b>	<b>[•]</b>	<b>100</b>

\*Includes 2,08,000 Equity shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended.

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

## CHANGES IN AUDITORS DURING LAST THREE FINANCIAL YEARS

Except as mentioned below, there have been no change in the Auditors in the last three financial years preceding the date of this Red Herring Prospectus.

S. No.	Particulars of Previous Auditor	Particulars of New Auditor	Effective Date	Reason
1.	<b>M/s Dinesh Patel &amp; Associates</b> <b>Chartered Accountants</b> B-6, New Green Apartment, Turel Pakhadi Road, Malad (West), Mumbai-400064, India <b>Tel No.:</b> +91 9820381330 <b>Fax No.:</b> NA <b>E-mail:</b> <a href="mailto:dineshpatelca@yahoo.co.in">dineshpatelca@yahoo.co.in</a> <b>Contact Person.:</b> Dinesh Patel <b>Firm Registration No.:</b> 118902W <b>Membership No.:</b> 106111	<b>M/s Amarnath Sharma &amp; Co</b> <b>Chartered Accountants</b> 607 IJMIMA Complex, Raheja's Metroplex, Link road, Malad west Mumbai-400064, India <b>Tele No.:</b> 022-49240183 <b>Email:</b> <a href="mailto:amarnathsharmaandco@gmail.com">amarnathsharmaandco@gmail.com</a> <b>Contact Person:</b> Amarnath Sharma <b>Firm Registration No.:</b> 100300W <b>Membership No.:</b> 039579	September 29, 2018	Unwillingness by M/s. Dinesh Patel & Associates to continue the Office

## DETAILS OF THE MARKET MAKING ARRANGEMENT

Our Company and the Book Running Lead Manager have entered into an agreement dated April 04, 2019, with the following Market Maker, duly registered with BSE Limited to fulfil the obligations of Market Making.

**Pantomath Stock Brokers Private Limited**

108, Madhava Premises, Behind Family Court,  
Bandra Kurla Complex, Bandra (East), Mumbai-400051  
Maharashtra, India  
**Tel:** +91 22 4257 7000  
**Fax:** +91 22 2659 8690  
**Email:** [broking@pantomathgroup.com](mailto:broking@pantomathgroup.com)  
**Contact Person:** Mahavir Toshniwal  
**SEBI Registration Number:** INZ000068338

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

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

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

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. The spread (difference between the sell and the buy quote) shall not be more than 10% or as specified by the stock exchange from time to time and the same shall be updated in Prospectus. Further, the Market Maker(s) shall inform the Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of BSE Limited and SEBI from time to time.
3. The minimum depth of the quote shall be Rs. 1,00,000/-. However, the investors with holdings of value less than Rs. 1,00,000/- shall be allowed to Issue their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. Based on the IPO price of [•]/- the minimum lot size is [•] Equity Shares thus minimum depth of the quote shall be Rs. [•]/- until the same, would be revised by BSE Limited.
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 2,08,000 Equity Shares out to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% Equity Shares would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduce to 24% of Issue Size, the Market Maker will resume providing 2-way quotes.
5. There shall be no exemption / threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE Limited may intimate the same to SEBI after due verification.
6. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
7. There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, Pantomath Stock Brokers Private Limited is acting as the sole Market Maker.
8. 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. The securities of the company will be placed in SPOS and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity share on the Stock Exchange.
9. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on SME Platform of BSE Limited and market maker will remain present as per the guidelines mentioned under BSE Limited and SEBI circulars.

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

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

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

11. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily / fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
12. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Book Running Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s).

In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Book Running Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations. Further the Company and the Book Running Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.

13. BSE Limited will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE Limited can impose any other margins as deemed necessary from time-to-time.
14. BSE Limited will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

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

15. 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:

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

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

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

## CAPITAL STRUCTURE

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

*Amount (Rs.in lakhs except share data)*

No.	Particulars	Aggregate nominal value	Aggregate value at Issue Price
<b>A.</b>	<b>Authorised Share Capital</b>		
	2,00,00,000 Equity Shares of face value of Rs. 10/- each	2,000.00	-
<b>B.</b>	<b>Issued, Subscribed and Paid-Up Share Capital before the Issue</b>		
	1,11,29,000 Equity Shares of face value of Rs. 10/- each	1,112.90	-
<b>C.</b>	<b>Present Issue in terms of this Red Herring Prospectus</b>		
	Issue of upto 41,15,200 Equity Shares of face value of Rs.10/- each at a price of Rs. [●]/- per Equity Share	411.52	[●]
	<b>Consisting of:</b>		
	<b>Reservation for Market Maker</b> – Upto 2,08,000 Equity Shares of face value of Rs. 10/- each reserved as Market Maker portion at a price of Rs. [●]/- per Equity Share	20.80	[●]
	<b>Net Issue to the Public</b> – Upto 39,07,200 Equity Shares of face value of Rs. 10/- each at a price of Rs. [●]/- per Equity Share	390.72	[●]
<b>D.</b>	<b>Issued, Subscribed and Paid-Up Share Capital after the Issue</b>		
	1,52,44,200 Equity Shares of face value of Rs. 10/- each	1,524.42	
<b>E.</b>	<b>Securities Premium Account</b>		
	Before the Issue		604.94
	After the Issue		[●]

*The Issue has been authorised by the Board of Directors of our Company vide a resolution passed at its meeting held on January 15, 2019 and by the shareholders of our company vide a Special Resolution passed pursuant to Section 62 (1) (c) of Companies Act, 2013 at the Extra-Ordinary General Meeting held on February 8, 2019.*

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

### NOTES TO THE CAPITAL STRUCTURE

#### 1. Details of changes in authorised Share Capital since incorporation:

The authorised share capital of our Company at the time of incorporation was Rs. 5,00,000 divided into 50,000 Equity Shares of Rs. 10/- (Rupees Ten only) each. Thereafter the authorised share capital of our Company has been altered in the manner set forth below:-

Particulars of Change		Date of Shareholders' Meeting	AGM / EGM
Increased From	Increased To		
Rs. 5,00,000 consisting of 50,000 Equity shares of Rs. 10 each	Rs. 25,00,000 consisting of 2,50,000 Equity shares of Rs. 10 each	December 28, 2009	EGM
Rs. 25,00,000 consisting of 2,50,000 Equity shares of Rs. 10 each	Rs. 2,00,00,000 consisting of 20,00,000 Equity shares of Rs. 10 each	October 09, 2010	EGM
Rs. 2,00,00,000 consisting of 20,00,000 Equity shares of Rs. 10 each	Rs. 5,00,00,000 consisting of 50,00,000 Equity shares of Rs. 10 each	January 30, 2012	EGM
Rs. 5,00,00,000 consisting of 50,00,000 Equity shares of Rs. 10 each	Rs. 75,00,00,000 consisting of 75,00,000 Equity shares of Rs. 10 each	December 20, 2012	EGM
Rs. 75,00,00,000 consisting of 75,00,000 Equity shares of Rs. 10 each	Rs. 10,00,00,000 consisting of 1,00,00,000 Equity shares of Rs. 10 each	May 31, 2014	EGM

Particulars of Change		Date of Shareholders' Meeting	AGM / EGM
Increased From	Increased To		
Rs. 10,00,00,000 consisting of 1,00,00,000 Equity shares of Rs. 10 each	Rs. 12,00,00,000 consisting of 1,20,00,000 Equity shares of Rs. 10 each	February 03, 2015	EGM
Rs. 12,00,00,000 consisting of 1,20,00,000 Equity shares of Rs. 10 each	Rs. 16,50,00,000 consisting of 1,65,00,000 Equity shares of Rs. 10 each	February 06, 2018	EGM
Rs. 16,50,00,000 consisting of 1,65,00,000 Equity shares of Rs. 10 each	Rs. 20,00,00,000 consisting of 2,00,00,000 Equity shares of Rs. 10 each	May 23, 2018	EGM

## 2. History of Equity Share Capital of our Company

Date of Allotment of Equity Shares	No. of Equity Shares allotted	Face value (Rs.)	Issue Price / Conversion price (Rs.)	Nature of consideration	Nature of Allotment	Cumulative no. of Equity Shares	Cumulative Paid-up Capital (Rs.)
On Incorporation – July 17, 2008	10,000	10	10	Cash	Subscription to MOA <sup>(1)</sup>	10,000	1,00,000
March 29, 2010	80,000	10	10	Other than Cash	Conversion of loan into equity <sup>(2)</sup>	90,000	9,00,000
December 11, 2010	4,50,000	10	NA	NA	Bonus Allotment <sup>(3)</sup>	5,40,000	54,00,000
March 12, 2011	1,000	10	10	Cash	Further Allotment <sup>(4)</sup>	5,41,000	54,10,000
March 20, 2012	32,46,000	10	NA	NA	Bonus Allotment <sup>(5)</sup>	37,87,000	3,78,70,000
March 29, 2012	5,00,000	10	10	Cash	Further Allotment <sup>(6)</sup>	42,87,000	4,28,70,000
March 26, 2014	14,70,000	10	17	Cash	Further Allotment <sup>(7)</sup>	57,57,000	5,75,70,000
June 21, 2014	22,22,000	10	17	Cash	Rights Issue <sup>(8)</sup>	79,79,000	7,97,90,000
December 01, 2014	15,00,000	10	21	Cash	Rights Issue <sup>(9)</sup>	94,79,000	9,47,90,000
March 27, 2015	16,50,000	10	21	Cash	Rights Issue <sup>(10)</sup>	1,11,29,000	11,12,90,000

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

Sr. No.	Name of Allottees	No. of shares subscribed
1	Gunnit Singh Allagh	5,000
2	Sanchit Allagh	5,000
	<b>Total</b>	<b>10,000</b>

(2) Pursuant to the conversion of loan into equity shares, allotment of 80,000 Equity Shares of face value of Rs. 10/- each fully paid at par on March 29, 2010 as per the details given below:



Sr. No.	Name of Allottee	No. of shares Allotted
1	Gunnit Singh Allagh	40,000
2	Sanchit Allagh	40,000
	<b>Total</b>	<b>80,000</b>

- (3) Bonus Issue of 4,50,000 Equity Shares of face value of Rs. 10/- each fully paid at par on December 11, 2010 in ratio of 5 Equity Shares for every 1 Equity Share held as per the details given below:

Sr. No.	Name of Allottee	No. of shares Allotted
1	Gunnit Singh Allagh	2,25,000
2	Sanchit Allagh	2,25,000
	<b>Total</b>	<b>4,50,000</b>

- (4) Further Allotment of 1,000 Equity Shares of face value of Rs. 10/- each fully paid at par on March 12, 2011 as per the details given below:

Sr. No.	Name of Allottee	No. of shares Allotted
1	Kulbir Kaur Alagh	1,000
	<b>Total</b>	<b>1,000</b>

- (5) Bonus Issue of 32,46,000 Equity Shares of face value of Rs. 10/- each fully paid at par on March 20, 2012 in ratio of 6 Equity Shares for every 1 Equity Share held as per the details given below:

Sr. No.	Name of Allottee	No. of shares Allotted
1	Gunnit Singh Allagh	16,20,000
2	Sanchit Allagh	16,20,000
3	Kulbir Kaur Alagh	6,000
	<b>Total</b>	<b>32,46,000</b>

- (6) Further Allotment of 50,00,00 Equity Shares of face value of Rs. 10/- each fully paid at par on March 29, 2012 as per the details below:

Sr. No.	Name of Allottee	No. of shares Allotted
1	Gunnit Singh Allagh	2,50,000
2	Sanchit Allagh	2,50,000
	<b>Total</b>	<b>5,00,000</b>

- (7) Further allotment of 14,70,000 Equity Shares of face value of Rs. 10/- each fully paid at premium of Rs. 7/- on March 26, 2014 as per the details below:

Sr. No.	Name of Allottees	No. of shares Allotted
1	Gunnit Singh Allagh	3,00,000
2	Sanchit Allagh	11,70,000
	<b>Total</b>	<b>14,70,000</b>

- (8) Rights Issue of 22,22,000 Equity Share of face value of Rs. 10/- each fully paid at premium of Rs. 7/- on June 21, 2014 in ratio of 22 equity shares for every 57 equity shares held as per the details below:

Sr. No.	Name of Allottees	No. of shares Allotted
1	Gunnit Singh Allagh	7,50,000
2	Sanchit Allagh	6,00,000
3	Gunnit Singh Allagh HUF	8,72,000
	<b>Total</b>	<b>22,22,000</b>

- (9) Rights Issue of 15,00,000 Equity Share of face value of Rs. 10/- each fully paid up at premium of Rs.11/- on December 01, 2014 in ratio of 15 equity shares for every 79 equity shares held as per the details below:

Sr. No.	Name of Allottees	No. of shares Allotted
1	Gunnit Singh Allagh	15,00,000
	<b>Total</b>	<b>15,00,000</b>

- (10) Rights Issue of 16,50,000 Equity share of face value of Rs. 10/- each fully paid up at premium of Rs. 11/- on March 27, 2015 in ratio of 1,650 equity share for every 9,479 equity shares held as per the details below:

Sr. No.	Name of Allottees	No. of shares Allotted
1	Gunnit Singh Allagh	8,25,000
2	Sanchit Allagh	8,25,000
	<b>Total</b>	<b>16,50,000</b>

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

Date of Allotment of Equity Shares	No. of Equity Shares	Face value (Rs.)	Issue Price (Rs.)	Reasons for allotment	Benefits accrued to our Company	Allottees	No. of Shares allotted
December 11, 2010	4,50,000	10	NA	Bonus Issue in ratio of 5 equity shares for every 1 Equity share held	Capitalisation of Reserves	Gunnit Singh Allagh	2,25,000
						Sanchit Allagh	2,25,000
March 20, 2012	32,46,000	10	NA	Bonus Issue in ratio of 6 equity shares for every 1 Equity share held	Capitalisation of Reserves	Gunnit Singh Allagh	16,20,000
						Sanchit Allagh	16,20,000
						Kulbir Kaur Alagh	6,000
<b>Total</b>							<b>36,96,000</b>

4. We have not issued any Equity Shares pursuant to any scheme approved under Sections 391-394 of the Companies Act, 1956 or Sections 230-232 of the Companies Act, 2013.
5. Our Company has not revalued its assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
6. We have not issued any shares at price below issue price within last one year from the date of this Red Herring Prospectus except as given below:
7. As on the date of this Red Herring Prospectus, our Company does not have any preference share capital.

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

### i. Built up of Promoter's shareholdings:

As on the date of this Red Herring Prospectus, our Promoters, Gunnit Singh Allagh and Sanchit Allagh collectively holds 1,02,39,900 Equity shares which is 92.01% of our pre-IPO Equity Shares of our Company. None of the Equity shares held by our promoters are subject to any pledge. The build-up of shareholding of promoters is as follows:-

#### 1) Gunnit Singh Allagh

Date of Allotment / Transfer of Equity Shares/Fully paid	No. of Equity Shares allotted / transferred	Face value per Share (Rs.)	Issue / Acquisition / Transfer price (Rs.)*	Nature of Consideration	Nature of Transactions	Pre-Issue shareholding %	Post - Issue shareholding %
Subscription to MOA	5,000	10	10	Cash	Subscription to MOA	0.04	0.03
March 29, 2010	40,000	10	10	Other than Cash	Conversion of loan into equity	0.36	0.26
December 11, 2010	2,25,000	10	NA	Other than Cash	Bonus Issue	2.02	1.48
March 20, 2012	16,20,000	10	NA	Other than Cash	Bonus Issue	14.56	10.62
March 29, 2012	2,50,000	10	10	Cash	Further Allotment	2.25	1.64
March 26, 2014	3,00,000	10	17	Cash	Further Allotment	2.70	1.97
June 21, 2014	7,50,000	10	17	Cash	Rights Issue	6.74	4.92
December 01, 2014	15,00,000	10	21	Cash	Rights Issue	13.48	9.84
March 27, 2015	8,25,000	10	21	Cash	Rights Issue	7.41	5.41
January 31, 2018	(100)	10	NA	No Consideration	Transfer to Jaskunwar Singh by way of Gift Deed	Negligible	Negligible
January 31, 2018	(5,000)	10	NA	No Consideration	Transfer to Tinky Allagh by way of Gift Deed	(0.04)	0.03)

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

#### 2) Sanchit Singh

Date of Allotment / Transfer / when made fully paid up	No. of Equity Shares allotted/ transferred	Face value per Share (Rs.)	Issue / Acquisition / Transfer price (Rs.)*	Nature of Consideration	Nature of Transactions	Pre-Issue shareholding %	Post - Issue shareholding %
Subscription to MOA	5,000	10	10	Cash	Subscription to MOA	0.04	0.03

Date of Allotment / Transfer / when made fully paid up	No. of Equity Shares allotted/ transferred	Face value per Share (Rs.)	Issue / Acquisition / Transfer price (Rs.)*	Nature of Consideration	Nature of Transactions	Pre-Issue shareholding %	Post - Issue shareholding %
March 29, 2010	40,000	10	10	Cash	Conversion of loan	0.36	0.26
December 11, 2010	2,25,000	10	NA	Other than Cash	Bonus Issue	2.02	1.48
March 20, 2012	16,20,000	10	NA	Other than cash	Bonus Issue	14.56	10.63
March 29, 2012	2,50,000	10	10	Cash	Further Allotment	2.25	1.64
March 26, 2014	11,70,000	10	17	Other than Cash	Further Allotment	10.51	7.68
June 21, 2014	6,00,000	10	17	Cash	Rights Issue	5.39	3.94
March 27, 2015	8,25,000	10	21	Cash	Rights Issue	7.41	5.41
January 31, 2018	(5,000)	10	NA	No Consideration	Transfer to Maneet Allagh by way of Gift Deed	(0.04)	(0.03)

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

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

Pursuant to Regulation 236 and 238 of SEBI ICDR Regulations, an aggregate of 20% of the Post-Issue capital held by our Promoter shall be considered as Promoter's Contribution ("Promoters Contribution") and our Promoter's shareholding in excess of 20% shall be locked-in for a period of three years from the date of allotment of equity shares pursuant to this issue. 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 such number of Equity Shares held by them and subscribed by them as a part of Promoters' Contribution constituting 20 % of the post issue Equity Shares of our Company and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters Contribution, for a period of three years from the date of allotment in the Issue.

Date of Allotment/ made fully paid up	No. of Shares Allotted/ Transferred	Face Value	Issue Price	Nature of Allotment	% of Post Issue shareholding	Lock in Period
<b>Gunnit Singh Allagh (A)</b>						
11/12/2010	2,25,000	10	Nil	Bonus Issue	1.48	3 Years
26/03/2014	3,00,000	10	17	Further Allotment	1.97	3 Years
01/12/2014	15,00,000	10	21	Rights Issue	9.84	3 Years
<b>Sanchit Allagh (B)</b>						
26/03/2014	11,70,000	10	17	Further Allotment	7.68	3 Years
<b>Total (A)+(B)</b>	<b>31,95,000</b>	-	-	-	<b>20.96</b>	<b>3 Years</b>

The above table will be updated in the Red Herring Prospectus proposed to be filed with the Registrar of Companies by the Company.

The Minimum Promoters' Contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as 'promoter' under the SEBI (ICDR) Regulations. The Equity Shares that are being locked in are not ineligible for computation of Promoters' contribution in terms of Regulation 237 of the SEBI ICDR Regulations. In connection, we confirm the following:

- a) The Equity Shares offered for minimum 20% Promoters' contribution have not been acquired in the three years preceding the date of this Red Herring Prospectus for consideration other than cash and revaluation of assets or capitalization of intangible assets nor resulted from a bonus issue out of the revaluation reserves or unrealized profits of the Company or against Equity Shares which are otherwise ineligible for computation of Promoters' contribution;
- b) The minimum Promoters' contribution does not include Equity Shares acquired during the one year preceding the date of this Red Herring Prospectus at a price lower than the Issue Price;
- c) No equity shares have been issued to our promoter upon conversion of a partnership firm during the preceding one year at a price less than the issue price.
- d) The Equity Shares held by the Promoter and offered for minimum Promoters' contribution are not subject to any pledge;
- e) All the Equity Shares of our Company held by the Promoters are in dematerialized format; and
- f) The Equity Shares offered for Promoter's contribution do not consist of Equity Shares for which specific written consent has not been obtained from the Promoter for inclusion of its subscription in the Promoter's contribution subject to lock-in.

### **iii. Details of Share Capital locked in for one year**

Pursuant to the regulation 238(b) and 239 of the SEBI (ICDR) Regulations, 2018, other than the above Equity Shares that are locked in for three years, the entire Pre-Issue Equity Share Capital of our Company shall be locked-in for a period of one year from the date of allotment in the Public Issue.

### **iv. Other requirements in respect of lock-in:**

Pursuant to Regulation 242 of the SEBI ICDR Regulations, the locked-in Equity Shares held by the Promoters, as specified above, can be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such scheduled commercial banks or public financial institution, provided that the pledge of the Equity Shares is one of the terms of the sanction of the loan.

Provided that securities locked in as Promoters' Contribution for 3 years under Regulation 242(a) of the SEBI ICDR Regulations may be pledged only if, in addition to fulfilling the above requirement, the loan has been granted by such scheduled commercial bank or public financial institution for the purpose of financing one or more of the objects of the Issue.

The Equity Shares held by our Promoters which are locked-in may be transferred to and amongst the Promoter Group entities or to any new promoters or persons in control of our Company, subject to the continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Regulations, as applicable.

Further, pursuant to Regulation 243 of the SEBI (ICDR) Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked-in as per Regulation 239 of the SEBI (ICDR) Regulations, along with the Equity Shares proposed to be transferred, provided that lock-in on such Equity Shares will continue for the remaining period with the transferee and such transferee shall not be eligible to transfer such Equity Shares till the lock-in period stipulated under the SEBI (ICDR) Regulations has ended, subject to compliance with the Takeover Code, as applicable.

We further confirm that our Promoters' Contribution of 20% of the post Issue Equity Share capital does not include any contribution from Alternative Investment Fund, Foreign Venture Capital Investors, Scheduled Commercial Banks, Public Financial Institutions or Insurance companies registered with Insurance Regulatory and Development Authority of India.

9. Except as mentioned below, there were no shares purchased/sold by the Promoter(s) and Promoter Group, Directors of our Company and their relatives during last six months from the date of filing of this Red Herring Prospectus:

<b>Date of Allotment / transfer</b>	<b>Name of Allottee / Transferor / Transferee</b>	<b>Party Category</b>	<b>Number of Shares Allotted / Transferred</b>	<b>Face Value</b>	<b>Issue Price / Transfer Price</b>	<b>Reason of Allotment / Transfer</b>
February 19, 2019	Gunnit Singh Allagh HUF to Hitesh Patel	Promoter Group to Public Category	5,00,000	10	72	Transfer

## 10. Our Shareholding Pattern

The table below presents the shareholding pattern of our Company as per Regulation 31, of the SEBI (LODR) Regulation, 2015-

### Summary of Shareholding Pattern as on the date of this Red Herring Prospectus:-

Category	Category of Shareholder	No. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C 2)	Number of Voting Rights held in each class of securities*		No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No of Voting Rights	Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
I	II	III	IV	V	VI	VII = IV + V+ VI	VIII	IX		X	XI = VII + X	XII		XIII		XIV
A	Promoter and Promoter Group	7	1,06,29,000	-	-	1,06,29,000	95.50	1,06,29,000	95.50	-	95.50	-	-	-	-	1,06,29,000
B	Public	1	5,00,000	-	-	5,00,000	4.50	5,00,000	4.50	-	4.50	-	-	-	-	5,00,000
C	Non Promoter- Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>8</b>	<b>1,11,29,000</b>	-	-	<b>1,11,29,000</b>	<b>100.00</b>	<b>1,11,29,000</b>	-	-	<b>100.00</b>	-	-	-	-	<b>1,11,29,000</b>

\*As on the date of this Red Herring Prospectus 1 Equity Shares holds 1 vote.

\*\*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

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

11. The details of the holding of securities (including shares, warrants, convertible securities) of persons belonging to the category Promoter and Promoter Group are as under:

Sr. No.	Name of the Shareholder	Pre – Issue		Post – Issue	
		No. of Equity Shares	% of Pre-Issue Capital	No. of Equity Shares	% of Post-Issue Capital
(I)	(II)	(III)	(IV)	(V)	(VI)
	<b>Promoters</b>				
1	Gunnit Singh Allagh	55,09,900	49.51	55,09,900	36.14
2	Sanchit Allagh	47,30,000	42.50	47,30,000	31.03
	<b>Subtotal (A)</b>	<b>1,02,39,900</b>	<b>92.01</b>	<b>1,02,39,900</b>	<b>67.17</b>
	<b>Promoter Group</b>				
1	Gunnit Singh Allagh HUF	3,72,000	3.34	3,72,000	2.44
2	Kulbir Kaur Alagh	7,000	0.06	7,000	0.05
3	Tinky Allagh	5,000	0.04	5,000	0.03
4	Maneet Allagh	5,000	0.04	5,000	0.03
5	Shiv Baurry	100	Negligible	100	Negligible
	<b>Subtotal (B)</b>	<b>3,89,100</b>	<b>3.49</b>	<b>3,89,100</b>	<b>2.55</b>
	<b>Total (A+B)</b>	<b>1,06,29,000</b>	<b>95.50</b>	<b>1,06,29,000</b>	<b>67.80</b>

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

Name of the Promoters	No. of Shares held	Average cost of Acquisition (in Rs.)
Gunnit Singh Allagh	55,09,900	12.64
Sanchit Allagh	47,30,000	10.64

13. The lists of shareholders of our Company holding 1% or more of the paid up share capital aggregating to 80% or more of the paid up share capital of the Company:

- a. as on the date of this Red Herring Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of Total Paid-Up Capital
1	Gunnit Singh Allagh	55,09,900	49.51%
2	Sanchit Allagh	47,30,000	42.50%
3	Hitesh Patel	5,00,000	4.50%
4	Gunnit Singh Allagh HUF	3,72,000	3.34%
	<b>Total</b>	<b>1,11,11,900</b>	<b>99.85%</b>

- b. ten days prior to the date of this Red Herring Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of Total Paid-Up Capital
1	Gunnit Singh Allagh	55,09,900	49.51%
2	Sanchit Allagh	47,30,000	42.50%
3	Hitesh Patel	5,00,000	4.50%
4	Gunnit Singh Allagh HUF	3,72,000	3.34%
	<b>Total</b>	<b>1,11,11,900</b>	<b>99.85%</b>

- c. One year prior to the date of this Red Herring Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of Total Paid-Up Capital
1	Gunnit Singh Allagh	55,09,900	49.51%
2	Sanchit Allagh	47,30,000	42.50%
3	Gunnit Singh Allagh HUF	8,72,000	7.84%
	<b>Total</b>	<b>1,11,11,900</b>	<b>99.85%</b>

- d. Two years prior to the date of this Red Herring Prospectus:



Sr. No.	Name of Shareholders	Number of Equity Shares	% of Total Paid-Up Capital
1	Gunnit Singh Allagh	55,15,000	49.56%
2	Sanchit Allagh	47,35,000	42.55%
3	Gunnit Singh Allagh HUF	87,2000	7.84%
	<b>Total</b>	<b>1,11,22,000</b>	<b>99.94%</b>

14. Presently, our Company does not have any ESOP/ESPS Scheme for employees.
15. Neither the Book Running Lead Manager viz. Pantomath Capital Advisors Private Limited, nor their associates hold any Equity Shares of our Company as on the date of this Red Herring Prospectus.
16. The associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, in the Non-Institutional Category, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.
17. Under-subscription in the net issue, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange.
18. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
19. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net offer to the public portion.
20. There are no Equity Shares against which depository receipts have been issued.
21. Other than the Equity Shares, there is no other class of securities issued by our Company.
22. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, and rights issue or in any other manner during the period commencing from the date of the Draft Red Herring Prospectus until the Equity Shares have been listed. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the Issue, by way of split / consolidation of the denomination of Equity Shares. However our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.
23. None of the persons/entities comprising our Promoter Group, or our Directors or their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of any such entity/individual or otherwise during the period of six months immediately preceding the date of filing of this Red Herring Prospectus.
24. We shall ensure that transactions in Equity Shares by the Promoters and members of the Promoters Group, if any, between the date of filing the Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within 24 hours of such transactions being completed.
25. Our Company, our Promoters, our Directors and the Book Running Lead Manager have not entered into any buy back or standby or similar arrangements for the purchase of Equity Shares being offered through the Issue from any person.
26. As on date of this Red Herring Prospectus there are no outstanding warrants, options or rights to convert debentures loans or other financial instruments into our Equity Shares.
27. All the Equity Shares of our Company are fully paid up as on the date of the Draft Red Herring Prospectus. Further, since the entire issue price in respect of the Issue is payable on application, all the successful applicants will be issued fully paid-up equity shares and thus all shares offered through this issue shall be fully paid-up.
28. As per RBI regulations, OCBs are not allowed to participate in this Issue.
29. Our Company has not raised any bridge loans against the proceeds of the Issue.
30. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
31. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.

32. 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.
33. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Issue.
34. Our Company has 8 shareholders as on the date of filing of this Red Herring Prospectus.
35. Our Promoters and the members of our Promoter Group will not participate in this Issue.
36. Our Company has not made any public issue since its incorporation.
37. For the details of transactions by our Company with our Promoter Group, Group Companies during the financial years ended March 31, 2018, 2017 and 2016 and the period ended December 31, 2018, please refer to paragraph titled “Details of Related Parties Transactions as Restated” in the chapter titled “Financial Statements as restated” on page 149 of this Red Herring Prospectus.
38. None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled “Our Management” beginning on page 128 of this Red Herring Prospectus.

## OBJECTS OF THE ISSUE

### Requirement of Funds

The proceeds of the Issue after deducting Issue related expenses, are estimated to be Rs. [●] lakhs (the “Net Proceeds”).

Our Company proposes to utilise the Net Proceeds from the Issue (“Net Proceeds”) towards the following objects:

1. Repayment/ pre-payment of certain unsecured loans availed from banks and financial institutions by our company;
2. Funding the working capital requirement of the Company; and
3. General corporate purposes

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

<i>(Rs. In lakhs)</i>	
Particulars	Estimated Amount <sup>1</sup>
Gross Proceeds to be raised through the Issue	[●]
Less- Issue Related Expenses	[●]
<b>Net Proceeds of the Issue (Net proceeds)*</b>	<b>[●]</b>

<sup>(1)</sup>To be finalised on determination of the Issue Price and updated in the Prospectus prior to filing with the ROC.

\*Net Proceeds of the Issue shall mean Proceeds of the Issue less Issue Expenses.

### UTILISATION OF NET PROCEEDS

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

Sr. No.	Particulars	Amount (Rs. in lakhs)	Percentage of Net Proceeds
1.	Repayment/ pre-payment of certain unsecured loans availed from banks and financial institutions by our company	113.02	[●]%
2.	Funding the working capital requirement of the Company	2,350.00	[●]%
3.	General corporate purposes <sup>(1)</sup>	[●]	[●]%

<sup>(1)</sup>To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.

### Proposed 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. As on the date of this Red Herring Prospectus, our Company has not deployed any funds towards the objects of the Issue.

*(Rs.in lakhs)*

Sr. No.	Particulars	Amount to be funded from the Net Proceeds	Estimated Utilisation of Net Proceeds (Financial Year 2019-20)
1	Repayment/ pre-payment of certain unsecured loans availed from banks and financial institutions by our company	113.02	113.02
2	Funding the working capital requirement of the	2,350.00	2,350.00

Sr. No.	Particulars	Amount to be funded from the Net Proceeds	Estimated Utilisation of Net Proceeds (Financial Year 2019-20)
	Company		
3	General corporate purposes <sup>(1)</sup>	[●]	[●]

<sup>(1)</sup>To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.

In the event of the estimated utilisation of the Net Proceeds in a scheduled Fiscal being not undertaken in its entirety, the remaining Net Proceeds shall be utilised in subsequent Fiscals, as may be decided by our Company, in accordance with applicable laws. Further, if the Net Proceeds are not completely utilised for the objects during the respective periods stated above due to factors such as (i) economic and business conditions; (ii) increased competition; (iii) timely completion of the Issue; (iv) market conditions outside the control of our Company; and (v) any other commercial considerations, the remaining Net Proceeds shall be utilised (in part or full) in subsequent periods as may be determined by our Company, in accordance with applicable laws.

The fund requirements mentioned above are based on the internal management estimates of our Company. The fund requirements mentioned above have not been verified by the Book Running Lead Manager or appraised by any bank, financial institution or any other external agency. The fund requirements are based on current circumstances of our business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations. Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management. In the event of any shortfall of funds for the activities proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Further, in case of a shortfall in the Net Proceeds or cost overruns, our management may explore a range of options including utilising our internal accruals or seeking debt financing.

#### **Means of Finance**

The fund requirements set out for the aforesaid objects of the Issue are proposed to be met entirely from the Net Proceeds, internal accruals and existing debt financing. Accordingly, we confirm that we are in compliance with the requirement to make firm arrangements of finance under Regulation 7(1) (e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Net Proceeds and existing identifiable internal accruals.

#### **DETAILS OF THE OBJECTS OF THE ISSUE**

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

#### **1. Repayment/ Pre-payment of certain unsecured loans availed from banks and financial institutions by our company:**

Our Company has entered into various financing arrangements with banks, financial institutions and others. The loan facilities entered into by our company include secured and unsecured borrowings in the form of term loans and working capital facilities. For further details, including indicative terms and conditions of such loan facilities availed by our company, see chapter titled “*Financial Indebtedness*” on page 166 of this Red Herring Prospectus.

Our company propose to utilise an aggregate amount of Rs. 113.02 lakhs from the Net Proceeds towards repayment or prepayment of certain unsecured loans availed by our company from banks and financial institutions, Amarnath Sharma and Co, Chartered Accountants vide their Certificate dated May 16, 2019 has certified that the total amount outstanding on the borrowings proposed to be repaid/pre-paid out of the Net Proceeds was Rs. 162.42 lakhs as on April 30, 2019. Given the nature of these borrowings and the terms of repayment, the aggregate outstanding amounts under these borrowings may vary from time to time and our Company may, in accordance with the relevant repayment schedule, repay or refinance some of its existing borrowings prior to Allotment. Accordingly, our Company may utilize the Net Proceeds for part prepayment of any such refinanced facilities or repayment of any additional facilities obtained by it. We believe that such repayment/ pre-payment will help reduce our outstanding indebtedness. We believe that reducing our indebtedness will result in enhanced equity base, reduce our financial costs, improve our profitability and improve our leverage capacity.

The details of the proposed repayment of the loans are provided below:

Sr. No.	Name of Lender	Nature of Borrowing	Applicable Interest Rate (%)	Outstanding Amount as on April 30, 2019 (Rs. in Lakhs)	Purpose of availing the Loan	Repayment from the Net Proceeds of the Issue (Rs. in lakhs)
1	Electronica Finance Limited	Business Loan	18.10%	6.35	Working Capital	5.59
2	Fullerton India Limited	Business Loan	18.50%	11.98	Working Capital	7.29
3	Edelweiss Retail Finance Limited	Business Loan	19.00%	9.65	Working Capital	7.00
4	HDFC Bank Limited	Business Loan	16.25%	28.82	Working Capital	24.74
5	Jain Sons Finlease Limited	Business Loan	18.50%	22.63	Working Capital	8.14
6	Kanika Investment Limited	Business Loan	20.00%	8.62	Working Capital	6.79
7	OXYZO Financial Services Private Limited	Business Loan	18.00%	40.96	Working Capital	30.20
8	Rainbow Digital Service Limited	Business Loan	18.50%	13.40	Working Capital	9.88
9	Tab Capital Limited	Business Loan	18.00%	11.67	Working Capital	8.29
10.	Tata Capital Financial Services Limited.	Business Loan	18.50%	8.37	Working Capital	5.10
	<b>Total</b>			<b>162.42</b>		<b>113.02</b>

## 2. Funding the working capital requirements of our Company

We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals, net worth, financing from various banks and financial institutions, and capital raising through issue of Equity Shares. As on March 31, 2017 and March 31, 2018, the amount outstanding on our Company's secured working capital facility was Rs.1,463.66 lakhs and Rs.2,744.41 lakhs respectively as per Standalone Audited Financial Information. As on December 31, 2018, our sanctioned working capital of Rs.2,750.00 lakhs. For further details, please refer to the chapter titled "Financial Indebtedness" beginning on page 166 of the Red Herring Prospectus.

### **Basis of estimation of working capital requirement**

Our Company's existing working capital requirement and funding on the basis of Standalone Audited Financial Information as of March 31, 2017 and March 31, 2018 are as follows:

<i>Particulars</i>	<i>Amount (Rs. in lakhs)</i>	
	<i>Fiscal 2017</i>	<i>Fiscal 2018</i>
<b><i>Current Assets</i></b>		
Inventories		
-Raw material	1,223.72	451.51
-Work-in-Progress	395.01	504.41
-Finished goods	1,148.05	1,624.13
Trade Receivables	2,734.20	8,690.46
Cash and Bank Balance	55.17	76.66
Short term loans & advances	124.73	306.68
<b>Total (A)</b>	<b>5,680.88</b>	<b>11,653.85</b>
<b><i>Current Liabilities</i></b>		

<i>Particulars</i>	<i>Fiscal 2017</i>	<i>Fiscal 2018</i>
Trade Payables	829.91	4,827.07
Other Current Liabilities & Short Term Provision	696.43	1,088.79
<b>Total (B)</b>	<b>1,526.34</b>	<b>5,915.86</b>
<b>Total Working Capital (A)-(B)</b>	<b>4,154.54</b>	<b>5,737.99</b>
<b>Existing Funding Pattern</b>		
Working Capital funding from Banks	1,463.66	2,744.41
Internal accruals/Net Worth/Unsecured Loans	2,690.88	2,993.58

On the basis of our existing working capital requirements and the projected working capital requirements, our Board pursuant to its resolution dated May 16, 2019 has approved the business plan for the two year period for Fiscals 2019 and Fiscal 2020. The projected working capital requirements for Fiscal 2019 and Fiscal 2020 are stated below:

*Amount (Rs. In lakhs)*

<i>Particulars</i>	<i>Fiscal 2019 (Estimated)</i>	<i>Fiscal 2020 (Estimated)</i>
<b>Current Assets (A)</b>		
<u>Inventories</u>		
-Raw material	1,500.00	2,150.00
-Work-in-Progress	1,270.00	1,650.00
-Finished goods	2,070.00	2,700.00
Trade Receivables	4,725.00	7,165.00
Cash and Bank Balance	82.49	78.41
Short term loans & advances	150.00	240.00
<b>Total (A)</b>	<b>9,797.49</b>	<b>13,983.41</b>
<b>Current Liabilities (B)</b>		
Trade Payables	1,950.00	2,600.00
Other Current Liabilities & Short term Provision	693.54	1277.10
<b>Total (B)</b>	<b>2,643.54</b>	<b>3,877.10</b>
<b>Total Working Capital (A)-(B)</b>	<b>7,153.95</b>	<b>10,106.31</b>
<b>Funding Pattern</b>		
IPO Proceeds	-	2,350.00
Working capital loan from bank	2,750.00	2,750.00
Internal Accruals/Net worth/Unsecured Loans	4,403.95	5006.31

#### Assumption for working capital requirements

Assumptions for Holding Period Levels

*(In months)*

<b>Particulars</b>	<b>Holding Level for March 31, 2017</b>	<b>Holding Level for March 31, 2018</b>	<b>Holding Level for March 31, 2019 (Estimated)</b>	<b>Holding Level for March 31, 2020 (Estimated)</b>
<b>Current Assets</b>				
Inventories				
-Raw Materials	1.22	0.34	1.02	1.01
-Work-in-Progress	0.38	0.36	0.85	0.75
-Finished Goods	1.09	1.20	1.42	1.25
Trade Receivables	2.43	5.95	2.76	2.76
<b>Current Liabilities</b>				
Trade Payables	0.76	3.79	1.25	1.19

### **Justification for “Holding Period” Levels**

**The justifications for the holding levels mentioned in the table above are provided below:**

<b>Assets- Current Assets</b>	
<b>Inventories</b>	<p><b>Raw Materials-</b> We have assumed raw material inventory levels of 1.02 months for the financial year 2018-19 and 1.01 months for financial year 2019-20, as against 0.34 month and 1.22 months for the FY 2017-18 and 2016-17 respectively as we aim to increase our production and hence intend to maintain higher level of raw materials.</p> <p><b>Work-in-Progress-</b> We have assumed WIP holding levels of 0.85 month for the financial year 2018-19 and 0.75 month for financial year 2019-20, as against 0.36 month and 0.38 month for the financial year 2017-18 and financial year 2016-17 respectively as we intend to maintain slightly higher inventory in WIP as our business operations grow and our volume increases.</p> <p><b>Finished Goods-</b> We have historically maintained finished goods inventory at a decent level. Therefore, in future as well, we intend to maintain finished good inventory of 1.42 month for the financial year 2018-19 and 1.25 months for financial year 2019-20.</p>
<b>Trade receivables</b>	<p>Our trade receivables based on for fiscal 2017 and fiscal 2018 were 2.43 months and 5.95 months respectively. We have assumed our trade receivables of 2.76 months for Fiscal 2019 &amp; 2020 as we intend to quick realization from our debtors to fund our increased estimated working capital requirements.</p>
<b>Liabilities–Current Liabilities</b>	
<b>Trade Payables</b>	<p>Our creditors were 0.76 month and 3.79months for fiscal 2017 and fiscal 2018 respectively. We have assumed creditors period of 1.25 months and 1.19months for Fiscal 2019 and for Fiscal 2020 respectively. Going forward we expect to prune our creditors days by infusing funds towards working capital from the net issue proceeds.</p>

Our Company proposes to utilize Rs.2,350.00 lakhs of the Net Proceeds in Fiscal 2020 towards our working capital requirements. The balance portion of our working capital requirement for the Fiscal 2020 will be arranged from existing Equity, Bank loans and internal accruals.

Pursuant to the certificate dated May 16, 2019, Amarnath Sharma and Co, Chartered Accountants, have compiled the working capital estimates from the Audited Standalone Financial Information for the Fiscal 2017 and 2018 and the working capital projections for the Fiscal 2019 and 2020 as approved by the Board pursuant to its resolution dated May 16, 2019.

### **3. General Corporate Purposes**

The Net Proceeds will be first utilized towards the Objects 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:

- a) strategic initiatives
- b) brand building and strengthening of marketing activities; and
- c) 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 Rs. [●] lakhs. The expenses of this Issue 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 (Rs. in lakhs) <sup>1</sup>	Expenses (% of total Issue expenses)	Expenses (% of Gross Issue Proceeds)
Fees payable to the Book Running Lead Manager (including Underwriting commission)	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Fees payable to the Legal Advisors to the Issue	[●]	[●]	[●]
Fees payable to the Registrar to the Issue	[●]	[●]	[●]
Fees payable to the to the Regulators including stock exchanges	[●]	[●]	[●]
Printing and distribution of Issue stationary	[●]	[●]	[●]
Brokerage and selling commission payable to Syndicate <sup>2</sup>	[●]	[●]	[●]
Brokerage and selling commission payable to Registered Brokers <sup>3</sup>	[●]	[●]	[●]
Processing fees to SCSBs for ASBA Applications procured by the members of the Syndicate or Registered Brokers and submitted with the SCSBs <sup>4</sup>	[●]	[●]	[●]
Processing fees to Issuer banks for UPI Mechanism w.r.t application Forms procured by the members of the Syndicate, Registered Brokers, RTAs or the CDPs and submitted to them <sup>5</sup>	[●]	[●]	[●]
Others (bankers to the Issue, auditor's fees etc.)	[●]	[●]	[●]
Total estimated Issue expenses	[●]	[●]	[●]

<sup>1</sup>Will be incorporated at the time of filing of the Prospectus.

<sup>2</sup>Selling commission payable to the members of the Syndicate, CDPs, RTA and SCSBs, on the portion for RIIs and NIIs, would be as follows:

Portion for RIIs 0.25% ^ (exclusive of GST)

Portion for NIIs 0.15% ^ (exclusive of GST)

^Percentage of the amounts received against the Equity Shares Allotted (i.e. the product of the number of Equity Shares Allotted and the Issue Price)

Further, the Members of Syndicate, RTAs and CDPs will be entitled to bidding charges of Rs. 10 (plus applicable GST) per valid ASBA Form. The terminal from which the Bid has been uploaded will be taken into account in order to determine the total bidding charges payable to the relevant RTA/CDP.

<sup>3</sup>Registered Brokers, will be entitled to a commission of Rs. 10 (plus GST) per Bid cum Application Form, on valid Bids, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the bid has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker.

<sup>4</sup>SCSBs would be entitled to a processing fee of Rs. 10 (plus GST) for processing the Bid cum Application Forms procured by the members of the Syndicate, Registered Brokers, RTAs or the CDPs and submitted to SCSBs.

<sup>5</sup>Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of Rs. 10 (plus GST) for processing the Bid cum Application Forms procured by the members of the Syndicate, Registered Brokers, RTAs or the CDPs and submitted to them.

## 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 our fund requirements towards the objects of the Issue until the completion of the Issue. Any amount that is drawn down from the overdraft arrangement / cash credit facility during this period to finance our fund requirements towards the objects of the Issue will be repaid from the Net Proceeds.

#### **INTERIM USE OF FUNDS**

Pending utilization of the Net 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 utilisation of the proceeds of the Issue as described above, it shall not use the funds from the Net 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**

We have not appointed a monitoring agency to monitor the utilisation of the proceeds of the Issue since the Issue size is less than Rs.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(5) of the SEBI Listing Regulations, our Company shall disclose to the Audit Committee the uses and applications of the Net Proceeds. Our Company shall prepare an annual statement of funds utilized for purposes other than those stated in this Red Herring Prospectus, certified by the statutory auditors of our Company and place it before the Audit Committee, as required under applicable laws. Such disclosure shall be made only until such time that all the Net Proceeds have been utilized in full. Furthermore, in accordance with the Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the utilization of the proceeds of the Issue from the objects of the Issue as stated above; and (ii) details of category wise variations in the utilization of the proceeds from the Issue from the objects of the Issue as states above. This information will also be published in newspapers simultaneously with the interim or annual financial results, after placing the same before the Audit Committee.

#### **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 authorised 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, in accordance with our AoA and Companies Act, 2013, and as may be prescribed by SEBI, in this regard.

#### **OTHER CONFIRMATIONS**

No part of the Net Proceeds will be paid by us to the Promoters and Promoter Group, the Directors, associates or Key Managerial Personnel or Group Companies, except in the normal course of business and in compliance with the applicable laws.

## BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company in consultation with the Book Running Lead Manager on the basis of an assessment of market demand for the Equity Shares through the Book Building Process and on the basis of qualitative and quantitative factors as described below. The face value of the Equity Shares of our Company is Rs.10 each and the Issue Price is [●] times of the face value at the lower end of the Price Band and [●] times of the face value at the higher end of the Price Band. Investors should also refer “Our Business”, “Risk Factors” and “Financial Statements as Restated” beginning on pages 101, 23 and 149 respectively, of this Red Herring Prospectus, to have an informed view before making an investment decision.

### QUALITATIVE FACTORS

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

- Wide range of products;
- Experienced Management and employee;
- Catering to niche segment;
- Cost effective procurement; and
- Tax incentives.

For further details, refer to heading “Our Competitive Strengths” under chapter titled “Our Business” beginning on page 101 of this Red Herring Prospectus.

### QUANTITATIVE FACTORS

The information presented below relating to the Company is based on the restated consolidated financial statements of the Company for the period ended December 31, 2018 and financial years ended March 31, 2018, 2017 and 2016 prepared in accordance with Indian GAAP, the Companies Act and Restated in accordance with SEBI ICDR Regulations. For details, refer chapter titled “Financial Statements as Restated” beginning on page 149 of this Red Herring Prospectus. Some of the quantitative factors, which may form the basis for computing the Issue Price, are as follows:

#### 1. Basic and Diluted Earnings per Share (EPS):

Year/Period Ended	Basic & Diluted EPS (Rs.)	Weight
March 31, 2018	6.68	3
March 31, 2017	4.78	2
March 31, 2016	2.70	1
<b>Weighted Average</b>		<b>5.38</b>
<b>For the period ended December 31, 2018*</b>		<b>10.32</b>

\*Not Annualised

Notes:

1. Weighted average number of Equity Shares are the number of Equity Shares outstanding at the beginning of the period/ year adjusted by the number of Equity Shares issued during the period/ year multiplied by the time weighing factor. The time weighing factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/ year. The figures disclosed above are based on the Restated Consolidated Summary Financial Information of our Company.
  2. The face value of each Equity Share is ₹ 10.
  3. Basic EPS and Diluted EPS calculations are in accordance with Accounting Standard 20 (AS-20) 'Earnings per Share', notified under Section 133 of Companies Act, 2013 read together along with paragraph 7 of the Companies (Accounts) Rules, 2014.
  4. Basic Earnings per share = Net profit/ (loss) after tax, as restated attributable to equity shareholders /Weighted average number of shares outstanding during the year/ period.
  5. Diluted Earnings per share = Net profit after tax, as restated / Weighted average number of diluted equity shares outstanding during the year/ period.
  6. Weighted average EPS = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. [(EPS x Weight) for each fiscal] / [Total of weights].
- 2. Price to Earnings (P/E) ratio in relation to Price Band of Rs. [●] to Rs. [●] per Equity Share of face value Rs. 10 each fully paid up.**

Particulars	P/E at the lower end of the Price Band (no. of times)	P/E at the higher end of the Price Band (no. of times)
P/E ratio based on Basic & Diluted EPS for FY 2017-18	[●]	[●]
P/E ratio based on Weighted Average Basic & Diluted EPS	[●]	[●]
<b>Industry P/E Ratio*</b>		
Highest		41.81
Lowest		41.81
Average		41.81

\*Industry composite comprises of Dixon Technologies (India) Limited.

### 3. Return on Net worth (RoNW):

Year/Period Ended	RoNW (%)	Weight
March 31, 2018	18.45%	3
March 31, 2017	16.21%	2
March 31, 2016	10.92%	1
<b>Weighted Average</b>		<b>16.45%</b>
<b>For the period ended December 31, 2018*</b>		<b>22.20%</b>

\*Not Annualised

Notes:

- The RONW has been computed by dividing net profit after tax (excluding exceptional income, if any) as restated by net worth (excluding revaluation reserve, if any) as restated as at year/period end.
- Weighted average RoNW= Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e.  $[(RoNW \times Weight) \text{ for each fiscal}] / [Total \text{ of weights}]$ .

### 4. Net Asset Value (NAV) per share:

Particulars	Amount Per Share
Net Asset Value per Equity Share as of December 31, 2018	46.48
Net Asset Value per Equity Share as of March 31, 2018	36.19
Net Asset Value per Equity Share after the Issue - At Cap Price	[●]
Net Asset Value per Equity Share after the Issue - At Floor Price	[●]
Issue Price per equity share	[●]

Notes:

- Net Asset Value per Equity Share has been computed as Net Worth divided by closing number of equity shares.
- Issue Price per equity share will be determined on conclusion of Book Building Process and will be updated in the final prospectus to be filed with the Registrar of Companies (ROC).

## 5. Comparison with listed industry peers:

Companies	CMP*	Basic EPS	Diluted EPS	PE Ratio	RONW (%)	NAV (per share)	Face Value (per share)	Total Income (Rs. in Lakhs)
Suich Industries Limited	[●]	6.68	6.68	[●]	18.45%	36.19	10.00	20,278.61
<b>Peer Group**</b>								
Dixon Technologies (India) Limited	2279.00	54.51	54.51	41.81	19.34%	278.12	10.00	2,85,756.62

\* CMP for our Company is considered as Issue Price

\*\*Source: [www.nseindia.com](http://www.nseindia.com)

Notes:

1. Considering the nature and size of business of the Company, the peer is not strictly comparable. However the same has been included for broad comparison.
2. The figures for Suich Industries Limited is based on the restated consolidated financial statements for the year ended March 31, 2018.
3. The figures for the peer is based on the consolidated audited results for the year ended March 31, 2018.
4. Current Market Price (CMP) is the closing price of peer script as on May 16, 2019 on NSE. However, CMP for our Company is the Final Price that will be determined on completion of the Book Building Process.
5. NAV per share is computed as the closing net worth divided by the closing outstanding number of paid up equity shares. Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding Revaluation Reserve less miscellaneous expenditure not written off, if any).
6. P/E Ratio has been computed based on the closing market price of peer group's equity shares on May 16, 2019 on NSE, as divided by the Basic EPS provided.
7. RoNW has been computed as net profit after tax divided by closing net worth. Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding Revaluation Reserve less miscellaneous expenditure not written off).

Suich Industries Limited is a Book Built Issue and price band for the same shall be published 2 working days before opening of the Issue in English and Hindi National newspapers and one regional newspaper with wide circulation.

The Issue Price of Rs. [●] will be determined by our Company in consultation with the Book Running Lead Manager on the basis of the demand from investors for the Equity Shares through the Book- Building Process and is justified in view of the above qualitative and quantitative factors. Investors should read the above mentioned information along with "Our Business" "Risk Factors" and "Financial Statements" beginning on pages 101, 23 and 149 respectively of this Red Herring Prospectus, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in "Risk Factors" or any other factors that may arise in the future and you may lose all or part of your investments.

## STATEMENT OF POSSIBLE TAX BENEFIT

### **The Board of Directors SUICH INDUSTRIES LIMITED**

5/68, 3rd Floor,  
Padam Singh Road,  
WEA Karol Bagh,  
New Delhi – 110009

Dear Sirs,

**Sub: Proposed Initial Public Offering (IPO) of the Equity Shares of the SUICH INDUSTRIES LIMITED, (the “Company”), pursuant to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI Regulations”) and the Companies Act, 2013, as amended (the “Act”).**

1. This report is issued in accordance with the terms of our engagement letter dated 29th January, 2019.
2. The accompanying Statement of Special Tax Benefits available to the Company and its Shareholders (hereinafter referred to as “the Statement”) under the Income Tax Act, 1961 (read with Income Tax Rules, Circulars and Notifications) as amended by the Finance Act, 2018 (hereinafter referred to as the “Income Tax Regulations”) and under the Goods And Service Tax Act, 2017 (read with Goods And Service Tax Rules, Circulars and Notifications) has been prepared by the management of the Company in connection with the proposed Offer, which we have initialed for identification purposes.

#### **Management’s responsibility**

3. The preparation of this Statement as of the date of our report which is to be included in the Red Herring Prospectus (the “Offer Document”) is the responsibility of the management of the Company and has been approved by the Board of Directors of the Company at its meeting held on March 16, 2019 for the purpose set out in paragraph 12 below. The management’s responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

#### **Auditor’s responsibility**

4. Our work has been carried out in accordance with the ‘Guidance Note on Reports or Certificates for Special Purposes’ (Revised 2016) and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India.
5. Pursuant to the SEBI Regulations and the Act, it is our responsibility to report whether the Statement prepared by the Company, presents, in all material respects, the special tax benefits available as of 16<sup>th</sup> March, 2019 to the Company and the shareholders of the Company, in accordance with the Income Tax Regulations as at the date of our report.
6. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the SEBI Regulations in connection with the Offering.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, ‘Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements,’ issued by the ICAI.

#### **Inherent Limitations**

8. We draw attention to the fact that the Statement includes certain inherent limitations that can influence the reliability of the information.
9. Several of the benefits mentioned in the accompanying statement are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the tax laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which may or may not be fulfilled. The benefits discussed in the accompanying statement are not exhaustive.

10. The Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue.

Further, we give no assurance that the income tax authorities/ other indirect tax authorities/courts will concur with our views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

#### **Opinion**

11. In our opinion, the Statement prepared by the Company presents, in all material respects, the special tax benefits available as of 16<sup>th</sup> March, 2019, to the Company and the shareholders of the Company, in accordance with the Income Tax Regulations & other Indirect Tax Regulations as at the date of our report.
12. Considering the matter referred to in paragraph 5 above, we are unable to express any opinion or provide any assurance as to whether:
- i) The Company or its shareholders will continue to obtain the benefits per the Statement in future; or
  - ii) The conditions prescribed for availing the benefits per the Statement have been/ would be met with.

#### **Restriction on Use**

13. This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the Offer Document, prepared in connection with the Offer to be filed by the Company with the SEBI and the concerned stock exchanges.

For: **Amarnath Sharma & Co.**  
**Chartered Accountants**  
**Firm registration number: 100300W**

**Amarnath Sharma**  
**Proprietor**  
**Membership no.: 039579**  
**Place: Mumbai**  
**Date: 16.03.2019**

Encl: Annexure

## **STATEMENT OF SPECIAL TAX BENEFITS**

**AVAILABLE TO SUICH INDUSTRIES LIMITED (THE “COMPANY”) AND ITS SHAREHOLDERS UNDER THE INCOME TAX ACT, 1961 (READ WITH INCOME TAX RULES, CIRCULARS, NOTIFICATIONS) AS AMENDED BY THE FINANCE ACT, 2018 (HEREINAFTER REFERRED TO AS THE “INCOME TAX REGULATIONS”) AND UNDER THE GOODS AND SERVICE TAX ACT, 2017 READ WITH GOODS AND RULES, CIRCULARS AND NOTIFICATION ISSUED THEREUNDER (HEREINAFTER REFERRED TO AS THE “INDIRECT TAX REGULATIONS”).**

**A) SPECIAL TAX BENEFITS TO THE COMPANY UNDER THE INCOME TAX REGULATIONS;**

- Deduction u/s 80 IC 100 per cent income tax exemption for first five years and 30 per cent for next five years in HP or Uttaranchal i.e Suich Industries Limited Factory situated in Haridwar.

**B) SPECIAL TAX BENEFITS TO THE COMPANY UNDER THE INDIRECT TAX REGULATIONS;**

- Deduction under the Customs (Import of Goods at Concessional Rate of Duty for Manufacture of Excisable Goods) Rules, Zero rate custom on import of Mobile Battery Accessories, Mobile Charger Accessories, Mobile Hands free Accessories, Mobile Hand Set, and 50% of Custom Duty on LED Components
- Goods and Service Tax Regime to the units located in States of Jammu & Kashmir, Uttarakhand, Himachal Pradesh and North East including Sikkim. The amount of budgetary support under the scheme for specified goods manufactured by the eligible unit shall be sum total of:
  - a) 58% of the Central tax paid through debit in the cash ledger account maintained by the unit in terms of sub-section(1) of section 49 the Central Goods and Services Act, 2017 after utilization of the Input tax credit of the Central Tax and Integrated Tax.
  - b) 29% of the integrated tax paid through debit in the cash ledger account maintained by the unit in terms of section 20 of the Integrated Goods and Services Act, 2017 after utilization of the Input tax credit Tax of the Central Tax and Integrated Tax.

Before GST, Company was getting 100 per cent central excise exemption

**C) SPECIAL TAX BENEFITS TO THE SHAREHOLDERS UNDER INCOME TAX REGULATIONS AND INDIRECT TAX REGULATIONS – N.A**

Note:

For the purpose of reporting here, we have not considered the general tax benefits available to the Company or shareholders under the Income Tax Regulations.

**For on behalf of  
SUICH INDUSTRIES LIMITED**

**Gunnit Singh Allagh  
Managing Director  
DIN No.: 02195678**

## SECTION V – ABOUT THE COMPANY

### OUR INDUSTRY

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#### **GLOBAL ECONOMIC OVERVIEW**

The World Bank forecasts global economic growth to edge up to 3.1 percent in 2018 after a much stronger-than-expected 2017, as the recovery in investment, manufacturing, and trade continues, and as commodity-exporting developing economies benefit from firming commodity prices.

However, this is largely seen as a short-term upswing. Over the longer term, slowing potential growth—a measure of how fast an economy can expand when labor and capital are fully employed—puts at risk gains in improving living standards and reducing poverty around the world, the World Bank warns in its January 2018 *Global Economic Prospects*.

Growth in advanced economies is expected to moderate slightly to 2.2 percent in 2018, as central banks gradually remove their post-crisis accommodation and as an upturn in investment levels off. Growth in emerging market and developing economies as a whole is projected to strengthen to 4.5 percent in 2018, as activity in commodity exporters continues to recover.

The broad-based recovery in global growth is encouraging, but this is no time for complacency,” World Bank Group President Jim Yong Kim said. “This is a great opportunity to invest in human and physical capital. If policy makers around the world focus on these key investments, they can increase their countries’ productivity, boost workforce participation, and move closer to the goals of ending extreme poverty and boosting shared prosperity.”

2018 is on track to be the first year since the financial crisis that the global economy will be operating at or near full capacity. With slack in the economy expected to dissipate, policymakers will need to look beyond monetary and fiscal policy tools to stimulate short-term growth and consider initiatives more likely to boost long-term potential.

The slowdown in potential growth is the result of years of softening productivity growth, weak investment, and the aging of the global labor force. The deceleration is widespread, affecting economies that account for more than 65 percent of global GDP. Without efforts to revitalize potential growth, the decline may extend into the next decade, and could slow average global growth by a quarter percentage point and average growth in emerging market and developing economies by half a percentage point over that period.

“An analysis of the drivers of the slowdown in potential growth underscores the point that we are not helpless in the face of it,” said World Bank Senior Director for Development Economics, Shantayanan Devarajan. “Reforms that promote quality education and health, as well as improve infrastructure services could substantially bolster potential growth, especially among emerging market and developing economies. Yet, some of these reforms will be resisted by politically powerful groups, which is why making this information about their development benefits transparent and publicly available is so important.”

Risks to the outlook remain tilted to the downside. An abrupt tightening of global financing conditions could derail the expansion. Escalating trade restrictions and rising geopolitical tensions could dampen confidence and activity. On the other hand, stronger-than-anticipated growth could also materialize in several large economies, further extending the global upturn.

“With unemployment rates returning to pre-crisis levels and the economic picture brighter in advanced economies and the developing world alike, policymakers will need to consider new approaches to sustain the growth momentum,” said World Bank Development Economics Prospects Director Ayhan Kose. “Specifically,



productivity-enhancing reforms have become urgent as the pressures on potential growth from aging populations intensify.”

In addition to exploring developments at the global and regional levels, the January 2018 *Global Economic Prospects* takes a close look at the outlook for potential growth in each of the six global regions; lessons from the 2014-2016 oil price collapse; and the connection between higher levels of skill and education and lower levels of inequality in emerging market and developing economies.

### Regional Summaries:

**East Asia and Pacific:** Growth in the region is forecast to slip to 6.2 percent in 2018 from an estimated 6.4 percent in 2017. A structural slowdown in China is seen offsetting a modest cyclical pickup in the rest of the region. Risks to the outlook have become more balanced. Stronger-than-expected growth among advanced economies could lead to faster-than-anticipated growth in the region. On the downside, rising geopolitical tension, increased global protectionism, an unexpectedly abrupt tightening of global financial conditions, and steeper-than-expected slowdown in major economies, including China, pose downside risks to the regional outlook. Growth in China is forecast to moderate to 6.4 percent in 2018 from 6.8 percent in 2017. Indonesia is forecast to accelerate to 5.3 percent in 2018 from 5.1 percent in 2017.

**Europe and Central Asia:** Growth in the region is anticipated to ease to 2.9 percent in 2018 from an estimated 3.7 percent in 2017. Recovery is expected to continue in the east of the region, driven by commodity exporting economies, counterbalanced by a gradual slowdown in the western part as a result of moderating economic activity in the Euro Area. Increased policy uncertainty and a renewed decline in oil prices present risks of lower-than-anticipated growth. Russia is expected to expand by 1.7 percent in 2018, unchanged from its estimated growth rate in 2017. Turkey is projected to moderate to 3.5 percent this year from 6.7 percent in the year just ended.

**Latin America and the Caribbean:** Growth in the region is projected to advance to 2 percent in 2018, from an estimated 0.9 percent in 2017. Growth momentum is expected to gather as private consumption and investment strengthen, particularly among commodity-exporting economies. Additional policy uncertainty, natural disasters, a rise in trade protectionism in the United States, or further deterioration of domestic fiscal conditions could throw growth off course. Brazil is expected to pick up to 2 percent in 2018, from an estimated 1 percent in 2017. Mexico is anticipated to accelerate to 2.1 percent this year, from an estimated 1.9 percent last year.

**Middle East and North Africa:** Growth in the region is expected to jump to 3 percent in 2018 from 1.8 percent in 2017. Reforms across the region are expected to gain momentum, fiscal constraints are expected to ease as oil prices stay firm, and improved tourism is anticipated to support growth among economies that are not dependent on oil exports. Continued geopolitical conflicts and oil price weakness could set back economic growth. Growth in Saudi Arabia is forecast to accelerate to 1.2 percent in 2018 from 0.3 percent in 2017, while growth is anticipated to pick up to 4.5 percent in the Arab Republic of Egypt in FY 2018 from 4.2 percent last year.

**South Asia:** Growth in the region is forecast to accelerate to 6.9 percent in 2018 from an estimated 6.5 percent in 2017. Consumption is expected to stay strong, exports are anticipated to recover, and investment is on track to revive as a result of policy reforms and infrastructure upgrades. Setbacks to reform efforts, natural disasters, or an upswing in global financial volatility could slow growth. India is expected to pick up to a 7.3 percent rate in fiscal year 2018/19, which begins April 1, from 6.7 percent in FY 2017/18. Pakistan is anticipated to accelerate to 5.8 percent in FY 2018/19, which begins July 1, from 5.5 percent in FY 2017/18.

**Sub-Saharan Africa:** Growth in the region is anticipated to pick up to 3.2 percent in 2018 from 2.4 percent in 2017. Stronger growth will depend on a firming of commodity prices and implementation of reforms. A drop in commodity prices, steeper-than-anticipated global interest rate increases, and inadequate efforts to ameliorate debt dynamics could set back economic growth. South Africa is forecast to tick up to 1.1 percent growth in 2018 from 0.8 percent in 2017. Nigeria is anticipated to accelerate to a 2.5 percent expansion this year from 1 percent in the year just ended.

Country & Groups	2016	2017	2018	2019
	-	Estimate	Projections	Projections
<b>World Output</b>	2.4	3.0	3.1	3.0
<b>Advanced economies</b>	1.6	2.3	2.2	1.9
<b>Emerging Market and Developing Economies</b>	3.7	4.3	4.5	4.7
<b>China</b>	6.7	6.8	6.4	6.3
<b>India</b>	7.1	6.7	7.3	7.5
<b>Europe and central Asia</b>	1.7	3.8	2.9	3.0

Country & Groups	2016	2017	2018	2019
	-	Estimate	Projections	Projections
Latin America & the Caribbean	-1.5	0.9	2.0	2.6
Middle East, North Africa	5.0	1.8	3.0	3.2
Sub-Sahara Africa	1.3	2.4	3.2	3.5
High Income Countries	1.7	2.2	2.2	1.9
Developing Countries	3.8	4.5	4.7	4.8
Low income countries	4.5	5.1	5.4	5.5

(\* The column labelled 2016 refer to 2016/17)

## INDIAN ECONOMIC OVERVIEW

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organization (CSO) and International Monetary Fund (IMF) and it is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. India's GDP is estimated to have increased 6.6 per cent in 2017-18 and is expected to grow 7.3 per cent in 2018-19.

### Market size:

India's gross domestic product (GDP) at constant prices grew by 7.2 per cent in September-December 2017 quarter as per the Central Statistics Organization (CSO). Corporate earnings in India are expected to grow by 15-20 per cent in FY 2018-19 supported by recovery in capital expenditure, according to JM Financial.

The tax collection figures between April 2017 to February 2018 show an increase in net direct taxes by 19.5 per cent year-on-year and an increase in net direct taxes by 22.2 per cent year-on-year.

India has retained its position as the third largest startup base in the world with over 4,750 technology startups, with about 1,400 new start-ups being founded in 2016, according to a report by NASSCOM.

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

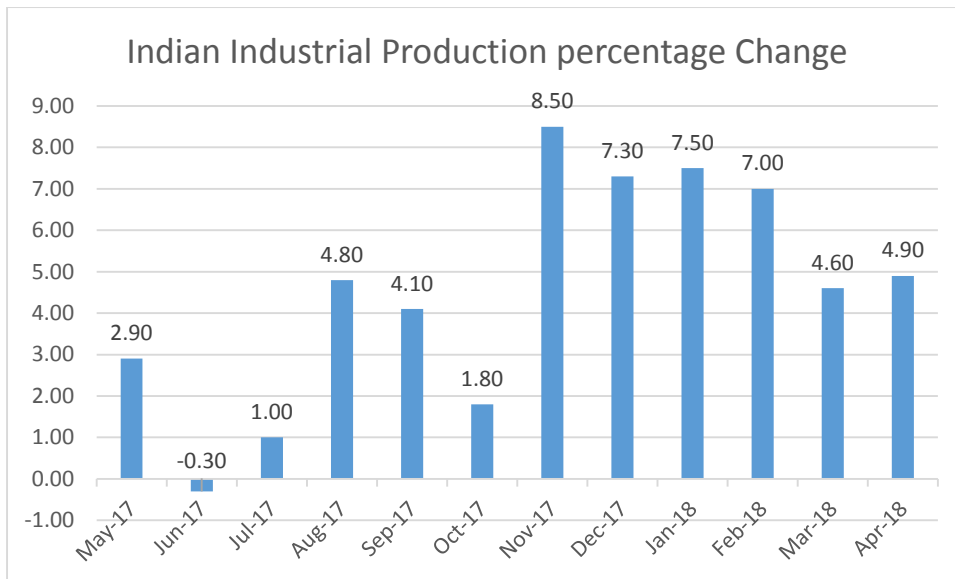
India's foreign exchange reserves were US\$ 422.53 billion in the week up to March 23, 2018, according to data from the RBI.

### India Industrial Production:

The index of industrial production rose 4.9 percent in April over a year ago, according to data released by the Ministry of Statistics and Programme Implementation.

The rise in April mainly reflects a pick-up in manufacturing as it contributes more than three-fourths to the index. Industrial activity has rebounded from its October low of 2.2 percent and averaged 7.6 percent till February, before falling to 4.4 percent in March.

- Manufacturing sector grew 5.2 percent in April compared with a 4.4 percent rise in March.
- Electricity generation grew 2.1 percent compared to a 5.9 percent increase in March.
- Mining activity rose 5.1 percent compared with a 2.8 percent growth in March.
- Infrastructure and construction goods' output grew 7.5 percent.



(Source: Treading Economics)

### **India's Gross Capital Product (GDP):**

The Indian economy expanded 7.2 percent year-on-year in the last three months of 2017, well above an upwardly revised 6.5 percent advance in the previous period and beating market expectations of 6.9 percent. It is the strongest growth rate since the third quarter of 2016, boosted by a jump in investment and public spending.

Gross fixed capital formation surged 12 percent compared to a 6.9 percent rise in the previous period; stocks went up 6.9 percent, above 5.8 percent in Q3; and government spending expanded 6 percent, also higher than 2.9 percent in Q3. On the other hand, a slowdown was seen for private consumption (5.6 percent compared to 6.6 percent in Q3). Exports also rose less (2.5 percent compared to 6.5 percent) while imports growth accelerated (8.7 percent compared to 5.4 percent).

Gross Value Added, that is, GDP excluding taxes expanded 6.7 percent, higher than 6.2 percent in Q3. Faster growth was recorded for agriculture, forestry and fishing (4.1 percent compared to 2.7 percent in Q3); manufacturing (8.1 percent compared to 6.9 percent); construction (6.8 percent compared to 2.8 percent); finance, real estate and professional services (6.7 percent compared to 6.4 percent); and public administration and defense (7.2 percent compared to 5.6 percent). On the other hand, slowdowns were recorded for utilities (6.1 percent compared to 7.7 percent); and trade, hotels, transport, communication and services related to broadcasting (9 percent compared to 9.3 percent); and mining and quarrying fell 0.1 percent after a 7.1 percent jump in Q3. Considering the 2016/2017 fiscal year (April 2016 to March 2017), the economy advanced 7.1 percent. For the 2017/2018 fiscal year, the government expects growth at 6.6 percent, higher than an earlier estimate of 6.5 percent.



(Source: Trading Economics)

### **Road Ahead:**

India's gross domestic product (GDP) is expected to reach US\$ 6 trillion by FY27 and achieve upper-middle income status on the back of digitization, globalization, favorable demographics, and reforms.

India is also focusing on renewable sources to generate energy. It is planning to achieve 40 per cent of its energy from non-fossil sources by 2030 which is currently 30 per cent and also have plans to increase its renewable energy capacity from 57 GW to 175 GW by 2022.

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

### **Rural India:**

India is predominantly a rural country with two third population and 70% Workforce residing in rural areas. Rural economy constitutes 46 per cent of national income. Despite the rise of urbanisation more than half of India's population is projected to be rural by 2050. Thus growth and development of rural economy and population are a key to overall growth and inclusive development of the country. Traditionally, agriculture is the prime sector of rural economy and rural employment.

India is predominantly a rural country. As per the 2011 Census, 68.8 per cent of country's population and 72.4 per cent of workforce resided in rural areas. However, steady transition to urbanization over the years is leading to the decline in the rural share in population, workforce and GDP of the country. Between 2001 and 2011, India's urban population Increased by 31.8 per cent as compared to 12.18 per cent increase in the rural population. Over fifty per cent of the increase in urban population during this period was attributed to the rural-urban migration and re-classification of rural settlements into urban (Pradhan 2013).About half of the national income and more than two third of the total employment is generated in rural areas. Apart from producing almost all agricultural output, rural areas contributes about half of the manufacturing and construction sectors output and one quarter of the services sectors output in the country. The rural areas are characterized with the low level and wide disparity in worker productivity.

### **Urban India:**

The total urban population in the country as per Census 2011 is more than 377 million constituting 31.16% of the total population. Aggregate household expenditure on essential consumption goods (including fast moving consumer goods, clothing, and footwear) was Rs22 trillion, of which rural India's share was 59%, the survey shows. Urban India's share in the aggregate spending on consumer durables was higher than that of rural India at 52%. The consumer durables category also includes down payment for purchase of vehicles in this analysis.

The trend in spending on consumer services and other non-essential expenditure is broadly similar to the national trends on overall spending. Consumer services include expenses on entertainment, conveyance, health, travel, education etc. Other expenses include loan payments, remittances sent, and non-routine expenditures such as those on weddings in the family and upgrades (or repairs) of houses. The overall spending on consumer services and other non-essential expenditure was Rs19.3 trillion, of which rural India had a share of 54%.

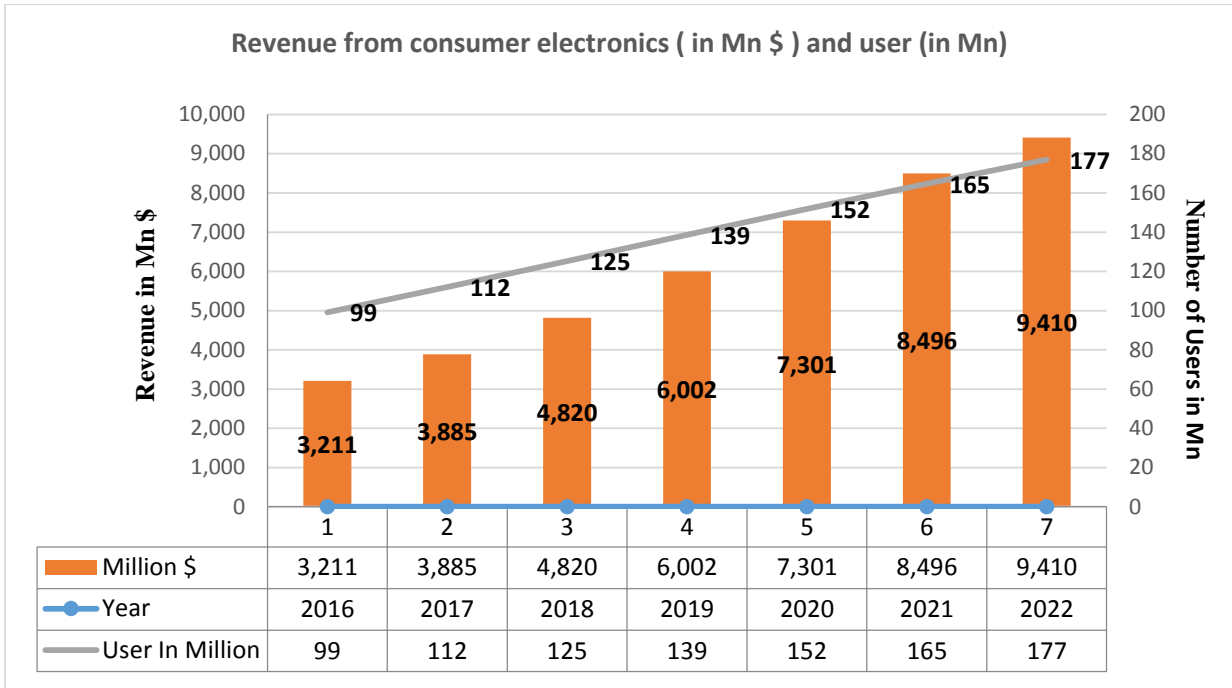
Rural and Urban Population as per 2011 Census:

Year	2001	2011	Difference
<b>India</b>	102.90	121.00	18.10
<b>Rural</b>	74.30	83.30	9.00
<b>Urban</b>	28.60	37.70	9.10

## **CONSUMER ELECTRONIC SECTOR**

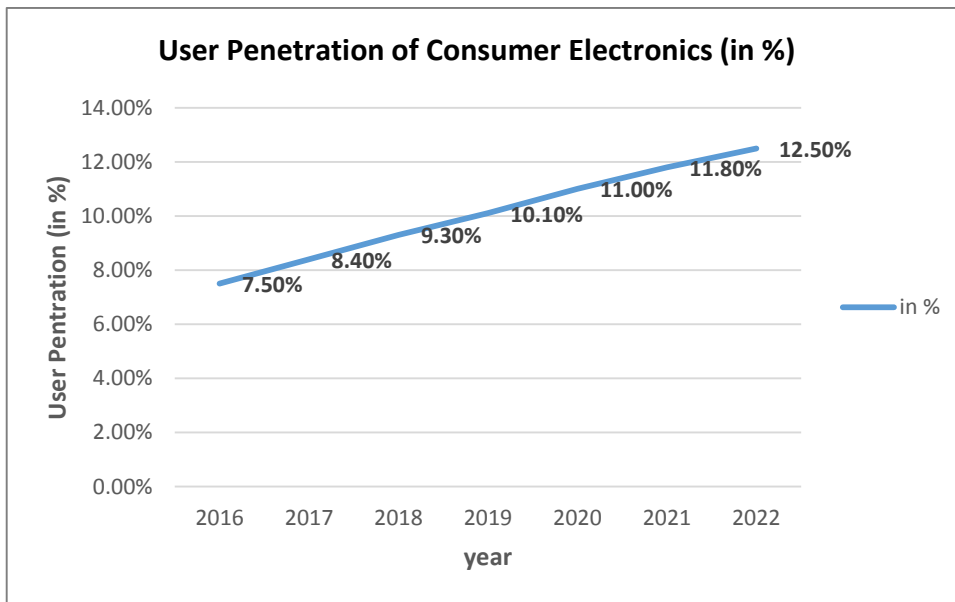
Indian Consumer Electronics and Appliances (CEA) market has been witnessing sustained double digit growth rate in the past few years. Increasing product awareness, affordable pricing, innovative products and the high disposable incomes have aided in the strong growth in the CEA market in India. Rapidly shrinking replacement cycle for consumer durables is observed as sustaining demand in urban India. The existing low penetration rates and the increasing usage of consumer durables have catapulted rural India to the high demand (30% annual growth) generating segment.

The CEA market has been witnessing robust growth trends in the past 5 years. Moving forward, the market is expected to foresee double digit growth reinforced by the surging rural consumption, reducing replacement cycles, increasing penetration of lifestyle appliances, and availability of multiple brands at various price points.



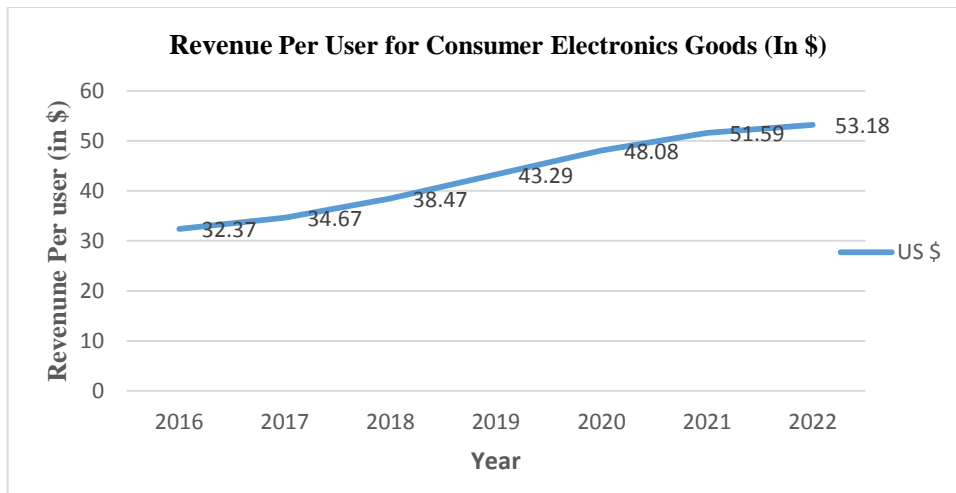
(Source: www.statista.com)

User Penetration has been estimated to reach 12.50% by the end of FY 2022 from 9.30% in FY 2018, which gives the idea about huge growth potential in the Consumer Electronics Market.



(Source: www.statista.com)

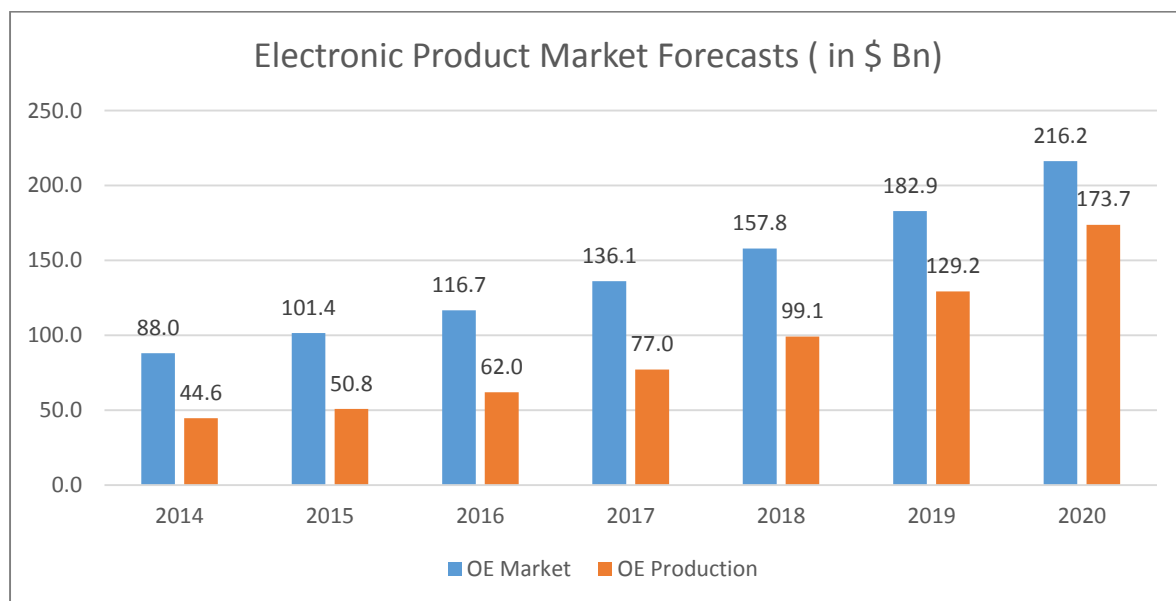
In the FY 2016 the average revenue per unit of consumer electronics appliances was \$32.37 and it is expected to increase to around \$53.18 by the end of FY 2022.



(Source: www.statista.com)

### **Indian Electronic Product Market:**

Original Equipment production (OEP) expected to grow at 1.6 times the Original Equipment Market (OEM). Effective implementation of policy measures is expected to be a crucial element defining the electronic product manufacturing market's growth.

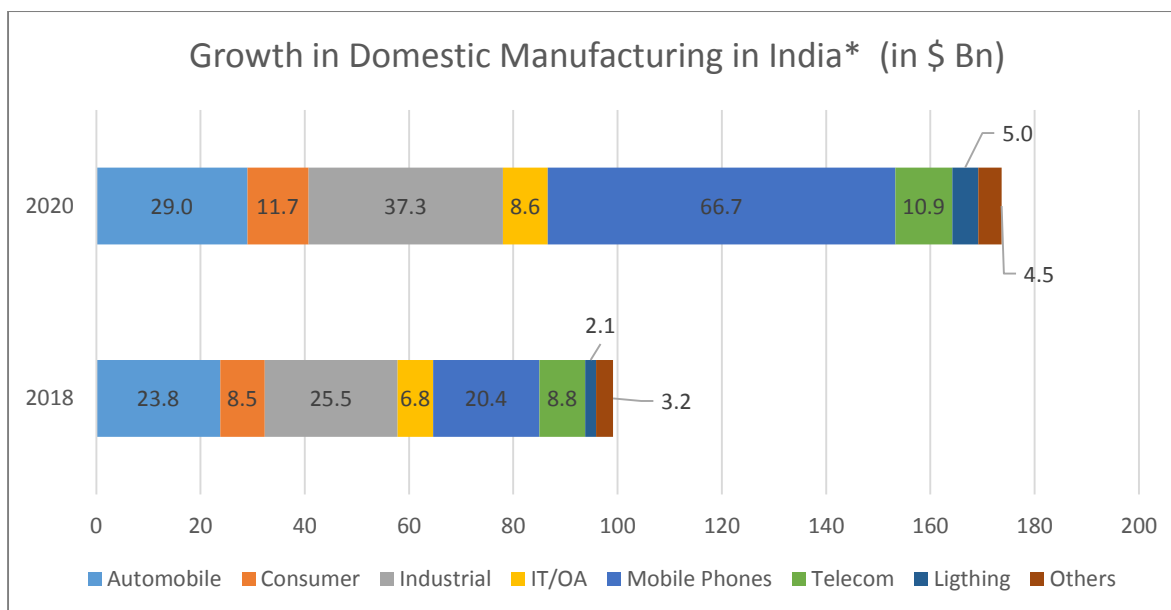


(Source: Frost & Sullivan)

As from the above the OEM (Original Equipment Market) has grown with a CAGR of 16.2% over the period where as the OEP (Original Equipment Market) has grown with as CAGR of 25.4% over the period, hence reducing the dependency on the imported electronic material.

### **Growth of Domestic Manufacturing in India:**

Business-friendly policies of the Government of India, stable political leadership, and turmoil in certain economies around the globe have together created a conducive investment climate in India, further boosting the domestic manufacturing.



(Source: Frost & Sullivan)

As under Make in India the major beneficiary for the Indian electronics industry is mobile sector, the domestic market share is estimated to grow from \$ 20.4 billion in FY 17-18 to \$ 66.70 Billion in FY 2019-20.

\*Following are the sectors and the product considered under the each head:

Electronics Segment	Electronics Segment Key Products to Drive Manufacturing till 2020 and Beyond
<b>Automotive</b>	Automotive HVAC, ECU, Airbags, ABS, AMT
<b>Consumer</b>	FPD TVs, Washing Machines, Set Top Boxes
<b>Industrial</b>	Process Machinery, Boilers, Printing Machinery, Machine Tools
<b>IT/ OA</b>	Notebooks, Desktops, Servers
<b>Mobile Phones</b>	Feature Phones, Smart Phones
<b>Telecom</b>	Media Gateways, BTS, Enterprise Routers, IP PBX
<b>Lighting</b>	LED Lighting
<b>Other Electronics</b>	Smart Cards, PoS Terminals, Medical Devices, ATM

### **Feature Phone Market in India:**

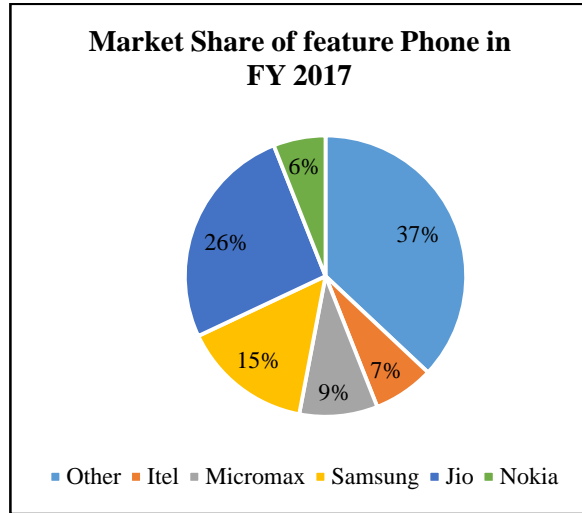
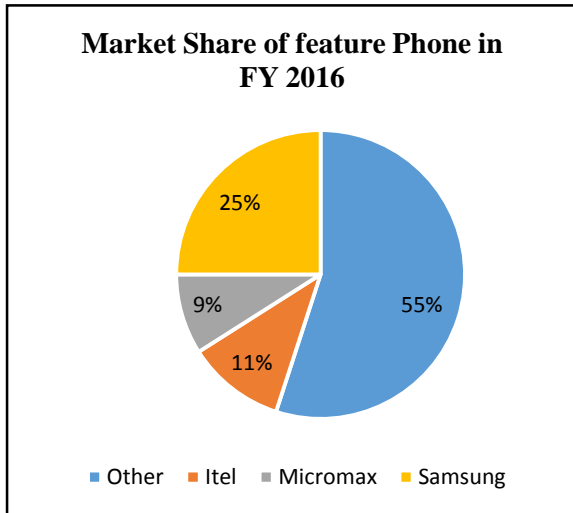
India's overall mobile shipments grew by 37% in the fourth quarter of 2017, with feature phones growing at an 'astonishing' 55% in that period. Feature phones essentially have features such as the ability to access the internet, but they lack the advanced functionality of smartphones. While the smartphone shipment grew merely by 12%, feature phones have made an astounding comeback in the Indian market.

The market for feature phones in India has been growing substantially in the last two years. The overall shipment of feature phones in India in 2017 was at 64%, while in 2016 the number was at 58% and the numbers are going to increase further in the current quarter.

Globally, too, the smartphone market has been facing a slump. Global sales of smartphones to end users totaled nearly 408 million units in the fourth quarter of 2017, a 5.6% decline over the fourth quarter of 2016, as per research and advisory firm Gartner. This is the first year-on-year decline since Gartner started tracking the global smartphone market in 2004.

There are several factors that have contributed to the popularity of feature phones. Longer battery life and lower cost being the key reasons that make it more appealing in tier-II, tier-III and rural areas. Affordability is major reason behind growth of the feature phone market. As mentioned in earlier chapter India is predominantly a rural country with two third of population residing in rural area, which can provide huge potential to grow the feature phone market.

Market Share of the Feature Phones for FY 2016 and for FY 2017 is as mentioned below:

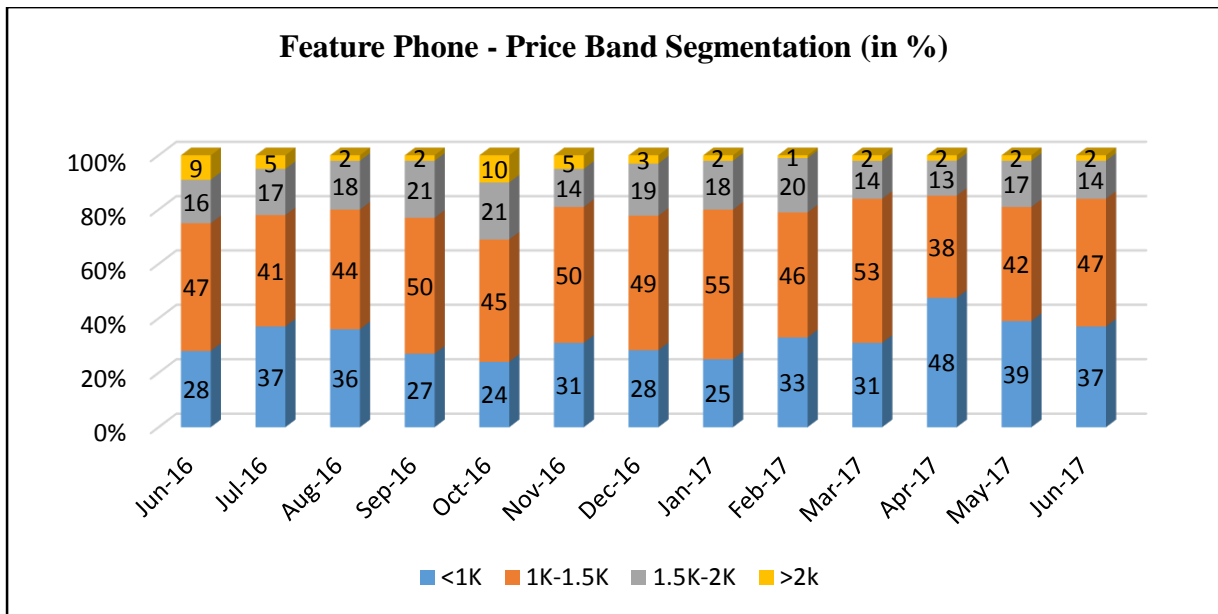


Reliance Jio is making Indians fall in love with good old feature phones all over again.

During the first quarter of 2018, India's feature phone market doubled from a year ago while smartphone sales remained flat.

(Data: Counterpoint Research)

#### Price Trend Analysis for Indian Feature Phone



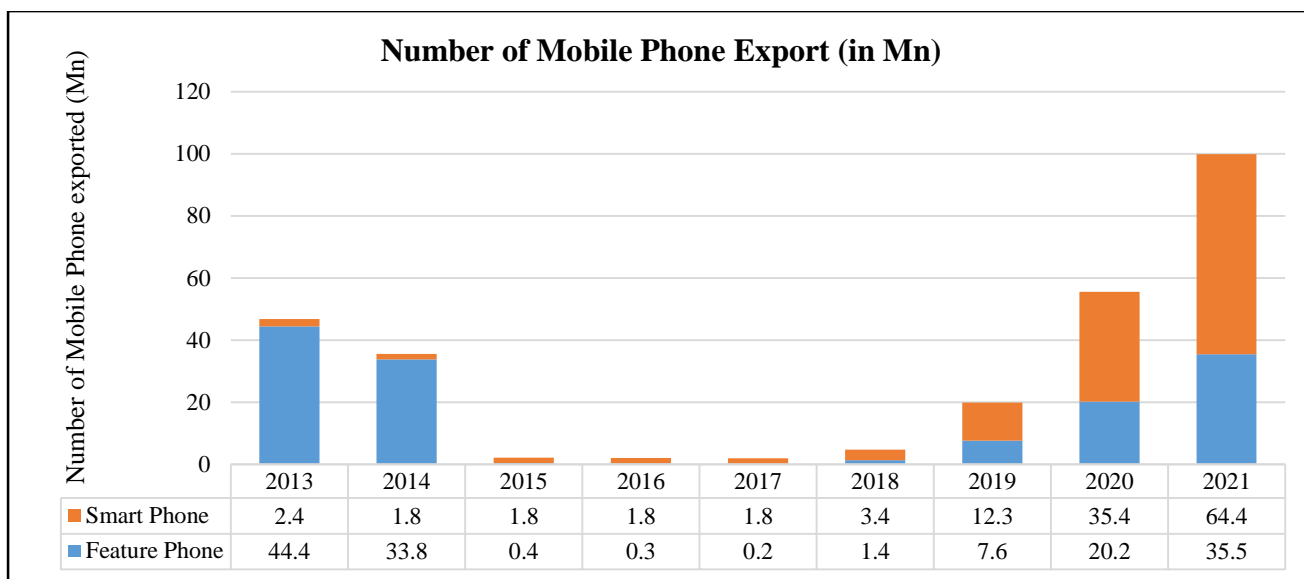
(Source: Cyber Media Research)

Highest selling feature phones are in the price band of 1K to 1.5K i.e. out of total number of feature phone sold around 47% in June 2017 as mentioned above graph.

#### Demand Supply in Feature Phone and the Smart Phone in India:

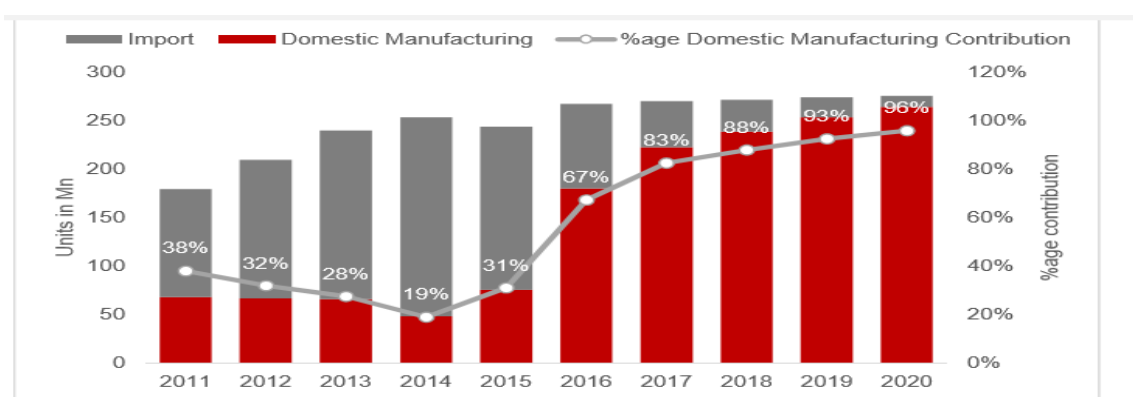
The Mobiles phones represent the largest category in the Consumer electric market. Apart from increasing penetration across rural and urban areas, the shortening replacement cycle, need for greater mobile phone data, better features and power management is driving sales of phones in the country. The narrowing gap between a feature phone and smartphone has seen a tilt in the demand for smartphones across the country.





(Source: Care internal research)

### **Indian Mobile Phone Domestic Consumption: Local Manufacturing Vs Imports:**



Source: Authors' estimates & Counterpoint Research Data

### **Market Summary:**

- The Indian mobile phone market grew by 48% YoY in Q1 2018 driven by strong demand from the feature phone segment. The smartphone market remained flat YoY.
- The performance of Chinese brands remained strong, accounting for 57% of the total smartphone market in Q1 2018, up from 53% during Q1 2017. This is the highest ever contribution by Chinese players in the Indian smartphone market.
- In the feature phone segment, Reliance Jio now captures more than one-third of the total feature phone market – the highest ever in a single quarter, since what Nokia achieved at its peak.
- Itel, is the third largest player in the feature phone segment with 17% growth YoY in Q1 2018.
- 96% of the smartphones were assembled or manufactured locally due to increased focus on the Make-In-India program and rising import duties. As the Indian government has increased duties on CBU and PCBA this quarter, going forward, the market will shift from SKD (Semi-Knocked-Down) to CKD (completely-Knocked-Down) level manufacturing.

### **Government Initiative:**

- **Make in India drive:**

As per the government officials stated that the domestic production of electronic goods 2016-17 was \$49.5 billion, compared to the imports that stood at around \$43 billion. It is also interesting to note that this positive growth is not something that happened overnight. The valuation of domestically produced electronic items raised from \$30 billion in 2014-15 to \$37.5 billion in 2015-16. Make in India finally seems to be reaping the dividends that the govt. is hoped for.

- **GST Implication on this Sector:**

Considering the Digital India move, experts don't expect GST to majorly impact the smartphone prices. However, as many OEMs import components from countries like China and assemble in India, it is to be expected that the government may encourage them to manufacture as well as assemble in India only, which will further help in making the components and smartphones even cheaper. While on the other hand, few consumer electronic products such as digital cameras and televisions may not benefit as they are more of luxury products. Tablets, laptops and computer are expected to reap the benefits from GST.

## **MOBLIE ACCESSORIES MARKET**

The India mobile phone accessories market has grown significantly in recent years with immense opportunities owing to substantial growth in the worldwide adoption of smartphones and tablets. Decreasing prices of mobile phones is increasing smartphone penetration, which in turn is surging the growth of the India mobile phone accessories market. Increasing disposable income has transformed consumer buying and spending trends mainly in urban areas. Adoption of mobile devices amongst the youth across the globe has provided a robust stimulus for the growth of the market. Moreover, increasing internet penetration has uplifted the trend of online retailing in the Indian mobile phone accessories market due to convenience of cash on delivery payment option and various price discounts along with a wide variety of products offered by e-retailers. This is anticipated to catalyse the growth of the India mobile phone accessories market. Mobile phone or smartphone users in India have been actively increasing their exposure to the Internet by availing broadband & Wifi. As a result, consumption of mobile phone accessories will remain relatively high, since consumers will presumably opt for mobile phones, smartphones or tablets as a device for entertainment, leisure and other activities relatively.

According to research; sales of mobile phone accessories in India was US\$ 1,202.7 million in 2015 and by the end of 2026, the mobile phone accessories market in India is anticipated to reach a value of US\$ 3,545.0 million, registering expansion at a stellar CAGR of 10.4%.

Currently, more than 90 per cent of the mobile components are imported in India and the segment relies heavily on shipments from China and Taiwan. Government under its Make in India initiative aims to reform the Mobile Phone Industry by encouraging local manufacturing, with incentives. With government support in a phased approach the sector shall see a huge transformation positively.

According to research, more than \$32 billion revenues have been amassed from sales of mobile phone accessories across the APAC region in 2016, with India accounting for a considerable share.

North India will continue to dominate by accounting for more than 30% of the market revenues, while South Indian states and West Indian states will collectively account for half of India's mobile phone accessories revenues by the end of 2026.

(Source: Future Market Insight)

### **Global Mobile Phone Accessories Market:**

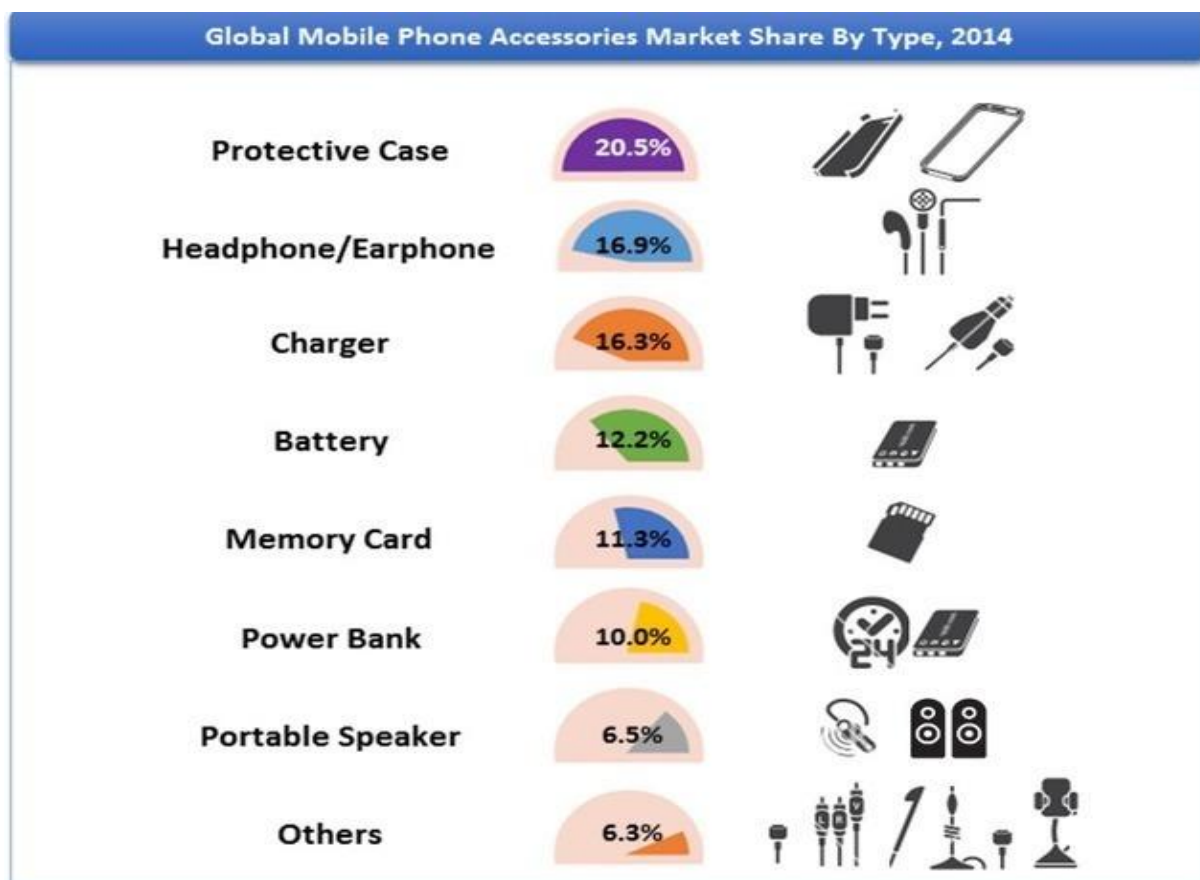
As per the research, the global mobile phone accessories market is anticipated to expand at a CAGR of 6.9% during the forecast period due to various factors.

On the basis of type, the market has been segmented into protective case, headphone/earphone, charger, memory card, battery, power bank, portable speaker and others. The protective case segment accounted for 20.5% share in the global mobile phone accessories market in 2014, and is expected to expand at a CAGR of 5.9% over the period of 2015 to 2025. The power bank segment is expected to expand at a robust CAGR of 9.0% over the period of 2015 to 2025.

The market is also segmented on the basis of distribution channel into multi-brand store, single-brand store and online store. Multi-brand store is further sub-segmented into organized store and independent store. The contribution of online store segment to the global mobile phone accessories market was 25.4% in 2014 which expected to reach 31.9% by 2025, expand at a CAGR of 9.1% during the forecast period. The industry is also segmented on the basis of price range into premium, mid and low. The low segment is anticipated to expand at a CAGR of 7.2% during the forecast period.

Growth of the global mobile phone accessories market is majorly driven by inclining population, rising urbanization, rising penetration of smartphones and strong distribution network worldwide. Rising adoption of mobile phone accessories, especially in developing regions such as Latin America and Asia Pacific, fostered by inclining disposable income has bolstered growth of the mobile accessories market over the last few years. Adoption of smartphones across countries such as China, Indonesia and Brazil is growing at a rapid pace, linked to inclining Internet penetration and rising social networking in these countries. Increasing trend of mobile shopping and e-banking is strengthening demand for smartphones across the globe. This, in turn, is supporting growth of the mobile accessories market.

By region, Asia Pacific Excluding Japan (APEJ) dominated the mobile phone accessories market with 47.4% market share in 2014 and is anticipated to remain dominant by the end of 2025. This is attributed to higher adoption of smartphones along with significant growth of e-commerce in the region. Moreover, factors such as growing urban population and rising disposable income in the region is also supporting market growth. North America and Western Europe collectively accounted for over 30.6% share of the overall mobile phone accessories market in 2014. Among all regions, APEJ is anticipated to register highest CAGR between 2015 and 2025, followed by Latin America and Middle East and Africa, owing to proliferation of smartphones in these regions.



(Source: Future Market Insight report on Global Mobile Phone Accessories Market, Nov 2015)

**1. Power Bank:**

Some key Trends that define the in the use of power bank market includes — Irregular electricity and Poor Power Distribution Infrastructure which serves as a catalyst for consumption of power banks. With growing Travel Industry, lack of proximity to suitable Power Sources, Power Banks have been the preferred choice along with the Smartphone. Next being the scope of Work for Mobile Accessories which is wide, today these gadgets are compatible and adaptable to Laptops, Computers etc, which makes these accessories multi-faceted in terms of usage.

The rapid growth in mobile phone usage has created a thriving market demand for mobile accessories globally; prompting higher business sector growth. Inclination towards comfort and ease is drawing demand for wireless smartphone accessories, particularly headphones and chargers. Despite the fact that the demand for wireless

technology is presently concentrated in select regions, it is expected to become popular widely, regardless of high costs of such gadgets. India shall see considerable growth in Mobile Accessories Market in India and Wireless Technologies shall define the future.

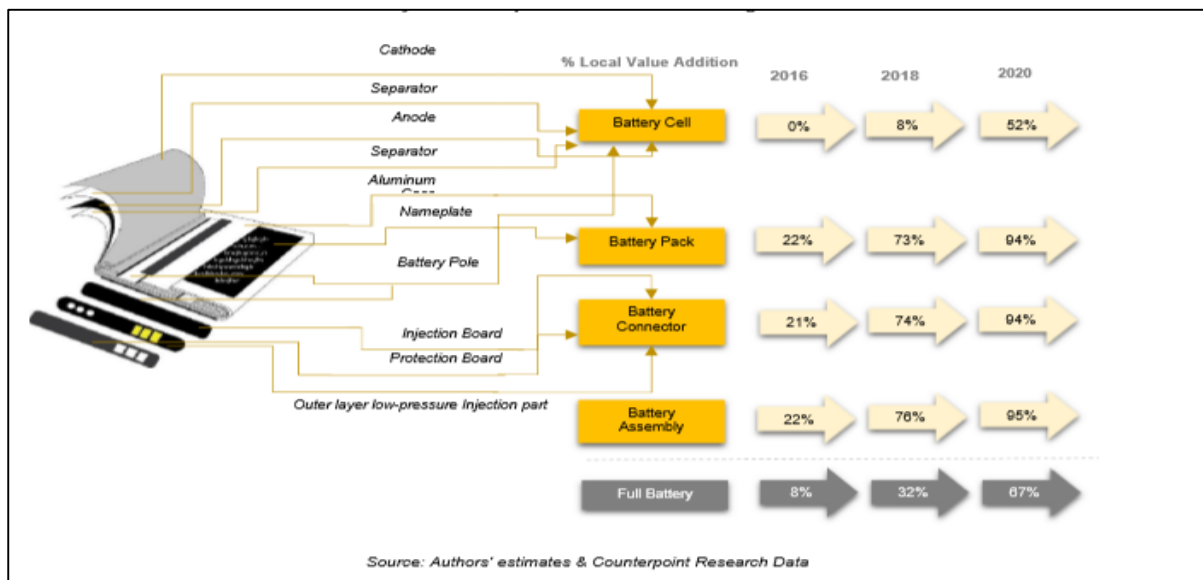
The power bank market is expected to grow at a CAGR of 21.22% between 2017 and 2022 and is valued at \$25.16 billion by 2022. Driving factors for growth of market include increasing usage of electronic devices such as smartphones and tablets, technological advancements, and electric outage in certain countries.

**Key Trends: Power Bank:**

- Irregular electricity & power distribution infrastructure in India serves as a catalyst for consumption of power banks. In some cases, mobile phone users in India lack proximity to suitable power source, which further necessitates use of accessories such as power banks. Buying power banks that could charge multiple devices in a go, is trending in mobile phone accessories market in India. In the span of next ten years (2016-2026), sales of power banks in India will account for over \$350 million in terms of revenues.
- Demand for modular smartphones and mobile phones is likely to increase in India, providing an opportune scope for power bank.

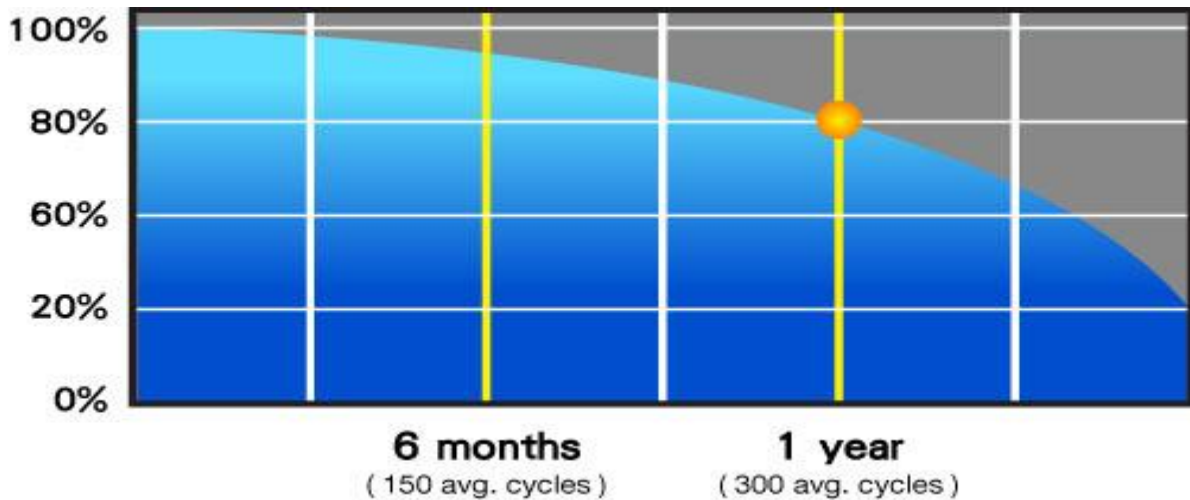
**2. Battery:**

Batteries and chargers are the most essential component of mobile devices and accessories; however, they have a limited life span after which they need to be replaced. Consumers willingly spend on replacing their existing batteries with new ones as it improves the performance of their mobile devices without spending a considerable amount. Hence, batteries with a longer life are fast gaining popularity amongst consumers in India.



**Battery Market and its growth:**

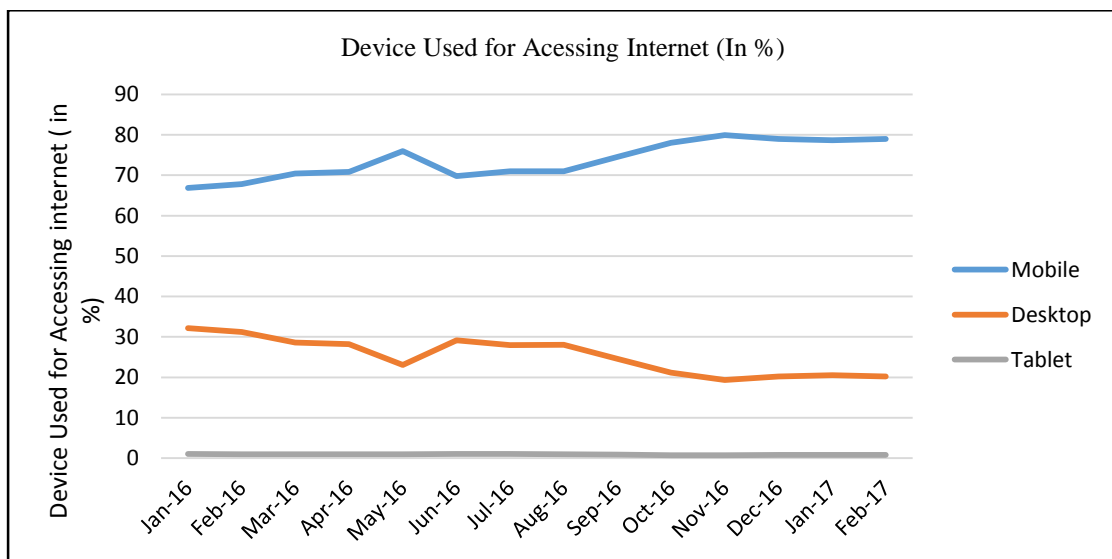
A charge cycle is going from dead to full (inside that safe zone described above) one time. Most phone batteries are designed to last about 400 cycles. That means if you let it run to zero then charge it to full 400 separate times the battery will no longer be able to hold a full charge and it will take more of the stored charge to normally operate your phone. Eventually, you'll notice that it takes longer to charge it and it doesn't last as long as it did when it was new.



As per the various report on an average Indian Spend around 3 hrs on the app, due to increasing usage of the application, video chat, various other social networking site and over all usage of the internet, which in turns required more charging cycle for the battery hence the requirement for the battery and replacement cycle is more faster for the battery and charger as compare to replacement cycle of the mobile Phone. As per other study also the most of the mobile phone batteries last for the year only.

There are various other reason for fast replacement cycle for the battery and the charger as compare to the mobile phone:

- 1) People are now becoming more tech saving through mobile as compare to the any other device.
- 2) Increasing penetration of the internet in the urban and the rural India.



(Source: [www.theatlas.com](http://www.theatlas.com))

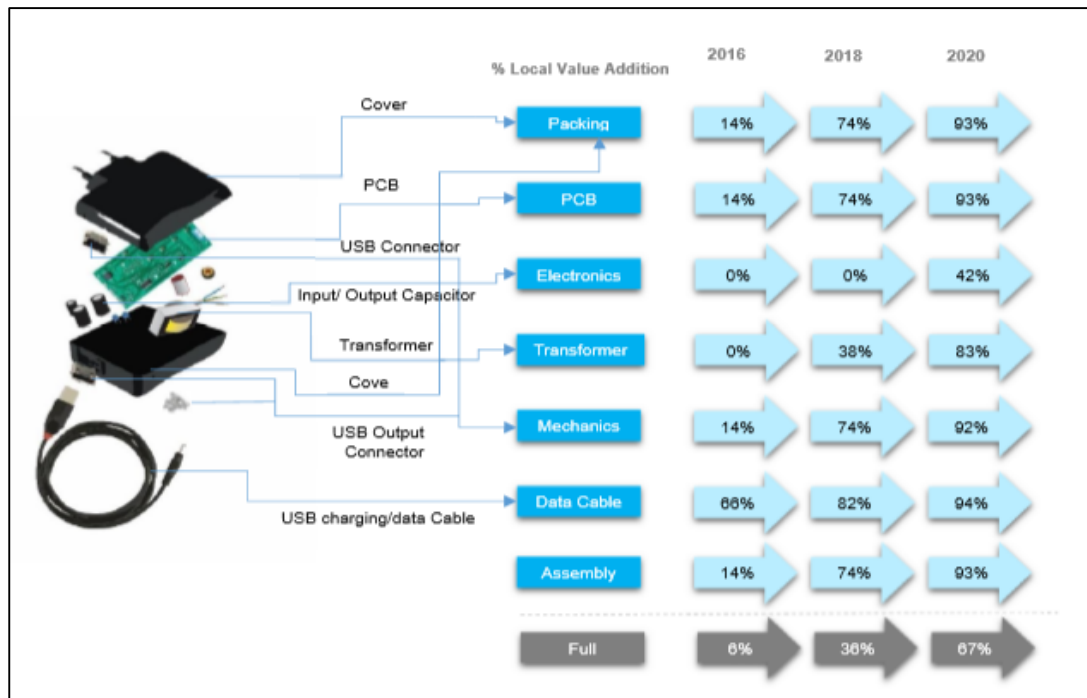
- 3) Many of the mobile network operator has providing huge amount of the data at the reasonable cost hence more affordability for the internet in the mobile which causes more charging cycle.
- 4) Various new app which will be providing new technology like TV app, and many user tend to use TV app during the travelling, which eat up huge amount of battery, hence required to change more frequently.

**3. Charger:**

Indian mobile phone industry expects that the government push to encourage production of battery chargers will lead to setting up of 356 factories that can generate 8 lakh jobs in the country by 2025, says the industry body Indian Cellular Association. As per the ICA National President Mohindroo, the impossible target for the manufacturing of 1.46 billion chargers by 2025 seem to be possible now and also create the 8 lakh new job

opportunities. He further said that Phased Manufacturing Program (PMP) of the government has boosted the confidence of companies in the mobile sector... “It was heartening to see the deep confidence with which the entire ecosystem — mobile phone brands, EMS companies, Charger manufacturers and manufacturers of components of chargers — responded to the clarion call for building a world-scale mobile charger industry in India,” he said. Under the PMP programme government has accepted industry demand to give them level-playing field compared to imported products by imposing duty on certain components that are sourced by mobile phone companies. Mohindroo said the target number of 356 factories does not include the component industry which is going to be built feeding the charger industry.

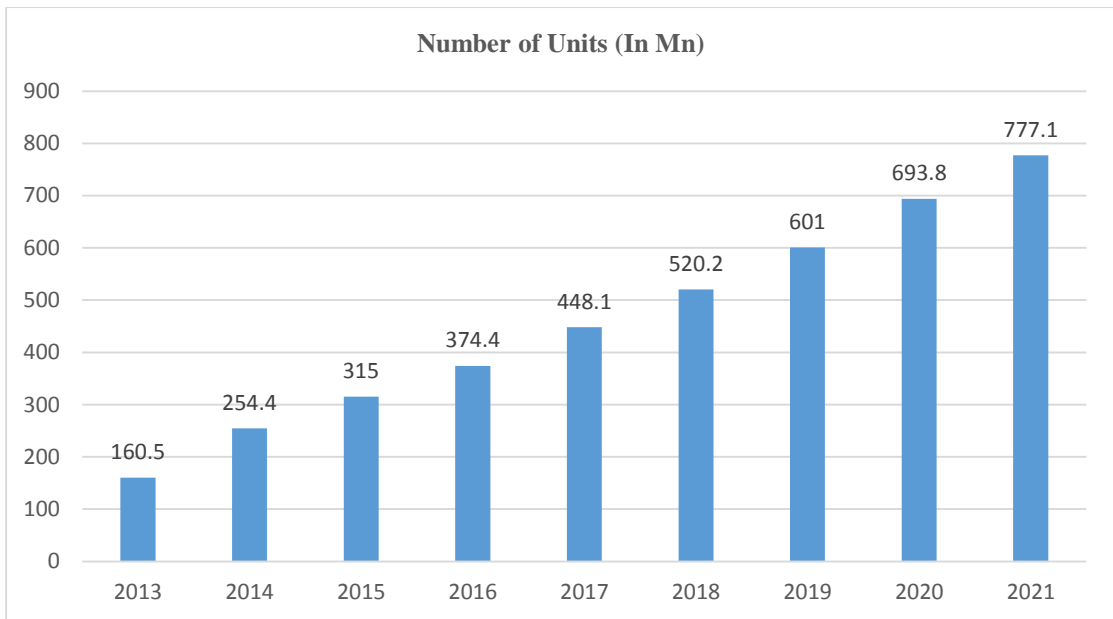
Charger Sub Component Local Sourcing Contribution: As on 2016 total value addition in the charger are at 6% only and under Make in India scheme by the end of total value addition in the charger by the companies will be around 67%. As per the Future Market Insights forecasts revenue from the charger segment in the India mobile phone accessories market to be valued at more than US\$ 575 Mn by 2026, representing a CAGR of 9.9%.



#### 4. LED TV (Liquid Crystal Display):

According to BI-2016 survey, which was undertaken to ascertain the TV universe and viewing habits in India, the number of TV homes in the country has gone up by 19 per cent to 183 million from 154 million. While the urban-rural split of TV homes was 50:50 earlier, rural India has 17 per cent more TV homes now. Urban India currently has 84 million TV households, while TV-owning homes in rural India stand at 99 million. India is the world’s third largest television industry. India’s television industry, is expected to grow at a CAGR of 9.8 per cent over CY16-20. Television industry in India is estimated to have reached Rs 660 billion (US\$ 10.19 billion) in CY2017 and projected to reach Rs 862 billion (US\$ 13.31 billion) in CY2020.

The trends are in line with fragmentation of family sizes (leading to lower average family sizes) and rising economic growth and rising prosperity. Televisions the next big category as it enjoys an overall penetration of 60%. Despite the high penetration the market is expected to witness continued growth contributed by the replacement demand, increasing preference for a 2nd TV in households, upgradation to a newer technology/advanced model and more purchases in the rural regions.

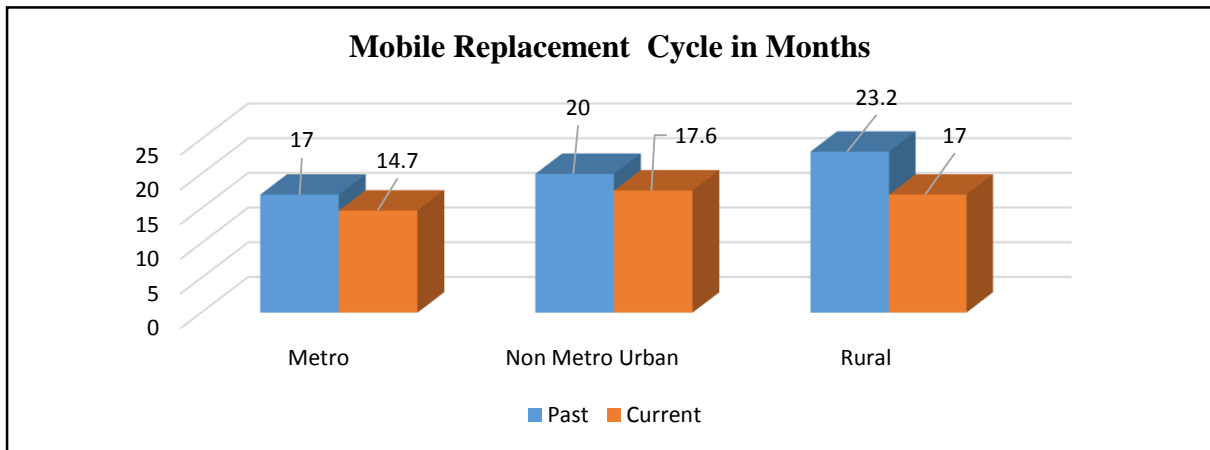


(Source: Care Research)

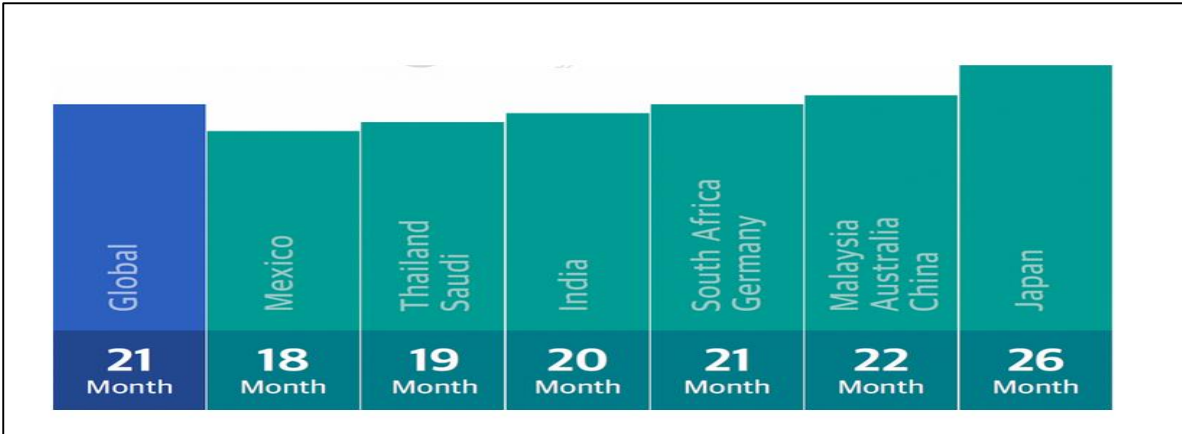
### REPLACEMENT CYCLE FOR MOBILE PHONE AND ITS ACCESSORIES

- The smartphone replacement cycles has been reducing across the country
- Replacement cycle in rural India has dropped the maximum by 27%
- Between 60-90% customers with smartphones below Rs 15,000 price bracket expect to buy a higher priced smartphone

Average Replacement Cycle for past phone Vs Currently Owned Phone:



Due to growing dependence on smartphones as well as availability of affordable smartphones, the average global smartphone replacement cycle has reached 21 months. Emerging market consumers are being more aggressive replacing their device than consumers in developed markets.



Avg. Replacement cycle for the Mobile Phone Globally is 21 Months where as in India it is around 20 Months.

As the replacement period for the mobile phone is reducing, which will also increase an opportunity for the mobile phone accessories replacement for the reason of the compatibility for the replaced mobile phone, hence shorting replacement cycle in the mobile phone sector will also directly benefit for the mobile phone accessories market.



## OUR BUSINESS

Some of the information contained in the following discussion, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the chapter titled “*Forward-Looking Statements*” beginning on page 17 of this Red Herring Prospectus, for a discussion of the risks and uncertainties related to those statements and also the section “*Risk Factors*” for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the twelve-month year ended March 31 of that year.

The financial information used in this section, unless otherwise stated, is derived from our Financial Information, as restated prepared in accordance with Indian GAAP, Companies Act and SEBI Regulations. The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Red Herring Prospectus, including the information contained in the sections titled “*Risk Factors*” and “*Financial Information*” beginning on pages 23 and 149 of Red Herring Prospectus respectively.

### OVERVIEW OF THE BUSINESS

Our Company was originally incorporated as “Delhi Fone N Batteries Private Limited” at Delhi, as a Private Limited Company under the provision of Companies Act, 1956 vide Certificate of Incorporation dated July 17, 2008 bearing Corporate Identification Number U51506DL2008PTC181023, issued by the Registrar of Companies, Delhi and Haryana. Subsequently, our Company changed its name from “Delhi Fone N Batteries Private Limited” to “Suich India Private Limited” on October 15, 2012. Further our company changed its name from “Suich India Private Limited” to “Suich Industries Private Limited” on December 12, 2012. Further, our Company was converted into a public limited company pursuant to special resolution passed by the members in Extraordinary General Meeting held on February 06, 2018 and the name of our Company was changed to Suich Industries Limited vide a Fresh Certificate of Incorporation dated February 21, 2018, issued by the Registrar of Companies, Delhi and Haryana. The Corporate Identification number of our Company is U51506DL2008PLC181023.

Our promoters, Gunnit Singh Allagh and Sanchit Allagh started the business as a wholesale trading and distribution concern for mobile and mobile accessories in New Delhi, India. After gaining experience and foreseeing the opportunity in Indian mobile market, promoters incorporated the Company in 2008 initially for manufacturing of mobile phone batteries and mobile phone chargers. To reap the benefits of tax incentives, our Company strategically purchased a land and set up a manufacturing facility at State Infrastructure and Industrial Development Corporation of Uttarakhand Limited (SIIDCUL) in Haridwar, Uttarakhand spread over an area of 7,500 sq. meters. Our Company through its subsidiary as well as individually, imports the parts and equipment from China to assemble them in our manufacturing facility situated at Haridwar. Expanding its product portfolio, Company launched its first mobile power bank in 2012. Further, leveraging their experience in the industry, Company started manufacturing newer variants of Power banks 7,500 mAH and 10,000 mAH and launched feature mobile phones in 2014. Subsequently, to become a consumer electronics based Company, we launched Light Emitting Diode (LED) TV sets in 2016.

Our Company assembles and markets these products under its own brand name, “*Suich*”. We have since our inception focussed on selling the products to Northern India specifically catering to rural areas and Tier-2 and Tier-3 cities where feature mobile phones and mobile phone accessories are easily marketable. We have strived to keep ourselves asset-light and accordingly we sell our entire products directly to our wide distributors network avoiding the need of setting up own retail outlets. Recently, our Company has also ventured into exports of its products.

Further, our Company is also engaged in trading activity, where it purchases finished products from other manufacturers and sells it to the distributors as per the demand. Decision of trading activity is taken by management considering various business factors such as the financial feasibility of meeting the orders through in-house manufacturing or trading the items. Also at times, when small orders are placed by distributors on an urgent basis, we purchase the finished products and meet their orders so as to maintain the relationship with them.

Our promoters have an adequate experience in the line of business undertaken by the company and look after strategic as well as day to day business operations. With a sound experience backed by educational qualifications, it is the vision and dedication of our Promoters which has paved the growth path of our Company. Our Promoters believe in the ideology of continuous improvement and development.

Our Company aims to keep the costs of its products low and provide affordable products to price sensitive market while adhering to the strict quality checks. We have set up a wholly owned subsidiary, Blue Wave Trading H.K. Ltd, with a view to procure the raw materials for our Company. As we procure our raw materials majorly from China, a local set-up aids us for better price negotiation from quality material suppliers. The company strives to establish long term relationships with our distributors to ensure uninterrupted supply of products at a reasonable credit terms.

Our Company has been focussing in expanding its products and its variants to the product portfolio and accordingly has set-up a Research & Development Centre (R&D) which not only strives for innovation and development in the product but also aims at training the employees on continuous basis for error-free manufacturing activities.

#### OUR LOCATIONAL PRESENCE

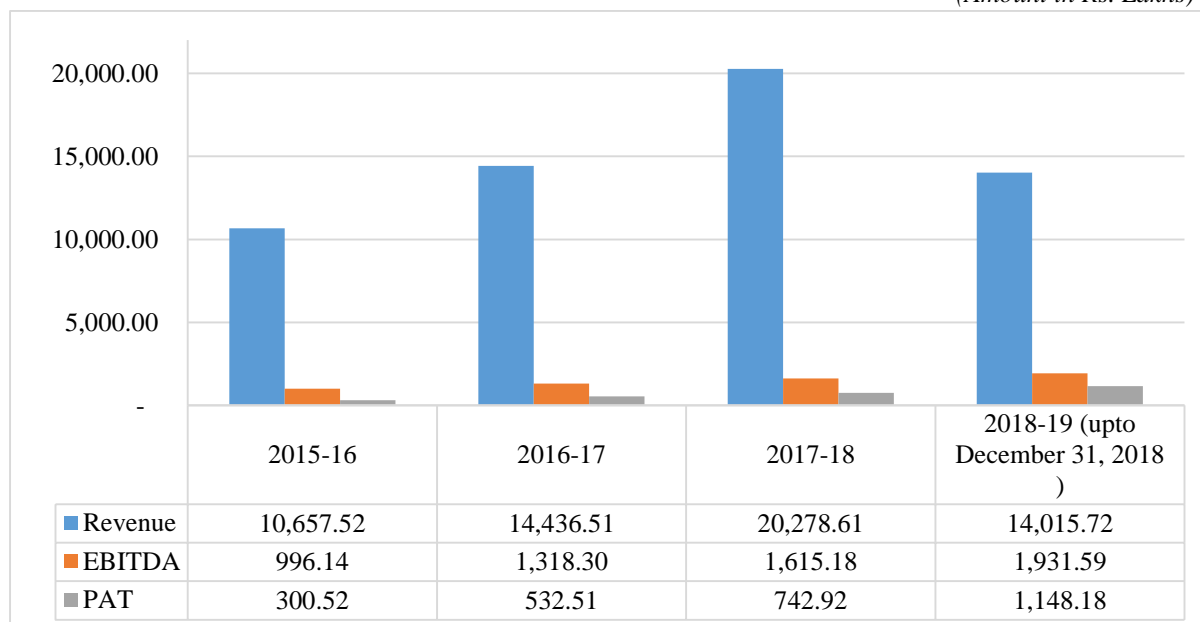
**Registered office:** Plot No – 68, 3<sup>rd</sup> Floor, Block No.5, W.E.A Naiwala, Karol Bagh, New Delhi – 110005, India

**Manufacturing facility:** Sector 7, Plot No. 106, IIE SIDCUL, Haridwar – 249401, Uttarakhand, India

#### FINANCIAL SNAPSHOT

*Financial Snapshot of our Company as per Restated Financial Statements is as under:*

(Amount in Rs. Lakhs)



*Product wise break-up of our Revenue from Operation is as under:*

(Amount in Rs. Lakhs)

Particulars	F.Y. 2015-16	F.Y. 2016-17	F.Y. 2017-18	December 31, 2018
Mobile Battery (including Power Bank)	8,921.25	10,926.88	12,728.00	10,546.80
Mobile Phones	1,110.08	1,672.91	2,802.77	1,607.88
Mobile Chargers	564.01	921.56	1,297.32	1,049.54
TV Sets	-	29.28	694.34	316.54
Other Accessories	50.32	27.93	0.18	-
<b>Revenue from Operations</b>	<b>10,645.69</b>	<b>13,578.58</b>	<b>17,522.63</b>	<b>13,519.98</b>

*Unit-wise sales breakup of our products are as under:*

(Figures in nos.)

Product	F.Y. 2015-16	F.Y. 2016-17	F.Y. 2017-18	December 31, 2018
---------	--------------	--------------	--------------	-------------------

Mobile Battery (including Power Bank)	112,27,288	166,48,024	167,32,274	138,92,025
Mobile Chargers	11,45,284	21,68,362	26,30,421	21,30,421
Mobile Phones	2,30,784	3,30,913	5,34,442	359,366
TV Sets	-	2,072	23,332	12,612

## OUR PRODUCTS

Our Company offers a wide range of products, details are as under:

### Mobile Phone:

We have launched few models in basic mobile phone category which are generally capable of calls and texts messages with minor usage of internet connectivity. These are generally low priced mobile phones in the affordable range. We have also introduced smart phones in mid-range segment for meeting the demand of customers looking for all-feature phone at a low price. Some features/specifications of our product are as follows:

- FM Radio, FM Recording;
- Memory expandable upto 8GB and dual SIM;
- 800mAH battery providing talk-time of 11 hours;
- 1 year manufacturer warranty for in-box accessories including batteries from the date of purchase;
- 2-inch (5.1 centimetres) display with 128\*160 pixels resolutions.



### Mobile Battery:

Among the widely used accessories, mobile battery is an integral item which requires replacement in both basic feature and smart phones. Our Company manufactures various sizes and ranges of battery at an affordable price which can be used in almost every variant of mobile. These products are light in size, with long battery pick-up. The growth of accessories is directly related to the growth in use of mobile phones. Some features/specifications of our product are as follows:

- Light weight and optimum performance;
- Compact design, high in quality and stable performance;
- 6 months provided by manufacturer from the date of purchase;

- Long power backup and standby time.



### Mobile Charger:

Our range of accessories also include mobile charger used for charging of mobile phones. We manufacture various types of mobile chargers including wireless charger. Mobile chargers runs through the use of electricity supply discharging power to mobile or power banks. Addition of mobile charger in our portfolio completes the most basic accessories required for mobile phones. Some features/specifications of our product are as follows:

- USB cable for charging;
- Patented circuit board design to protect from short circuit;
- Offer sufficient and fast charging;
- Convenient to use for home, office and travelling.



### Power Bank:

Power Bank was launched with a view of power storage device which can be used for charging mobile and other electronic gadgets on-the-go. Further, we have kept the design of the product trendy which looks fashionable and light in weight apart from serving the purpose efficiently. Our range of Power Bank includes – 5,000 mAh, 7,500 mAh and 10,000 mAh.



### LED TV and SMART TV:

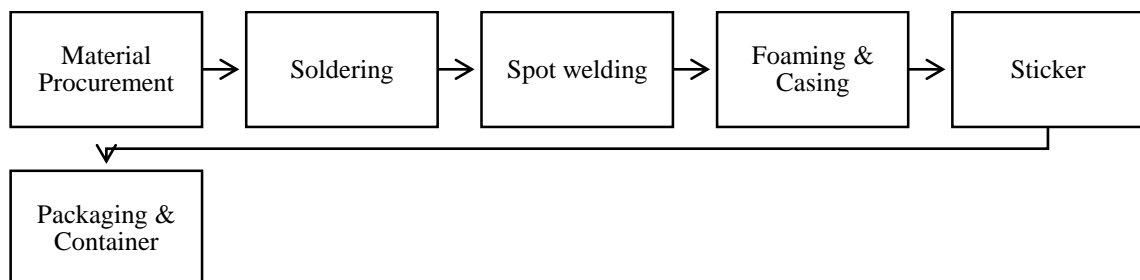
Being a consumer durable electronic company, we have launched range of TVs including LCD and LED TVs which are of various sizes as per the need of the demography. Our TV sizes includes 17', 21', 24', 28', 32' and 40'. Further, we have also introduced Smart TVs of 32' and 50' of sizes. These products are also low in price catering to middle and lower class segment. Some features/specifications of our product are as follows:

- Connectivity ports: 2HDMI, 2USB;
- Audio: 5w×2 output,
- Various mode such as cinema mode, sports mode, multiple language;
- 12 months warranty provided from date of purchase.



## MANUFACTURING PROCESS

### Mobile Battery:



**Material Procurement** – Major raw materials required are battery cases, Chips, nickel-ferro Strip. These raw materials forms the integral parts of Mobile battery. Mostly materials are procured from China. Orders are placed in bulk and the delivery of material from the vendors are taken in intervals as per the stock level and requirement. Our subsidiary then ships the raw material and parts through containers as per our requirement.

**Soldering** – We procure Printed Circuit Board (PCB) in ready to use form, it needs to be soldered onto it before it can be used in any electronic equipment or gadget. This assembly of electronic components depends on type of circuit board, type of electronic components and purpose of the circuit board. This process is done manually using a small hand-held machine.

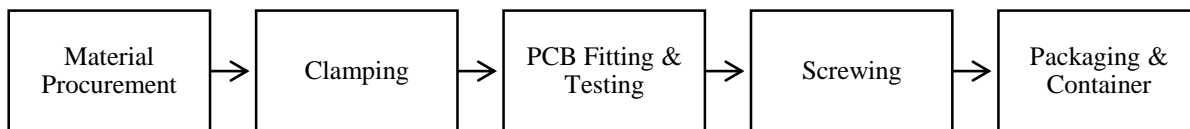
**Spot Welding**–Spot welding of PCB on to the Li-Ion cell through ferro –nickel stripe which are then tested for any impedance.

**Foaming & Casing**–In this process, double sided gum tape is applied on cells. The foaming is done for increasing the resistance and strength so that it can be fixed properly in a mobile phone. Further to it, this is placed in plastic case manually for covering the battery.

**Sticker**–Once the parts are assembled together, logo sticker of our Company is attached on the battery to make it a finished product and to brand our product to distinguish.

**Packaging & Container**–Once the products are ready, they are packed together in boxes with multiple batteries in a single box. All such boxes are packed together in a container which can then be shipped to distributors.

### Mobile Charger:



Material Procurement – Major raw materials required for assembly of mobile chargers are Pin, Plastic cases, middle and back cover, Connector and PCB. All these raw materials and parts are procured from our subsidiary company.

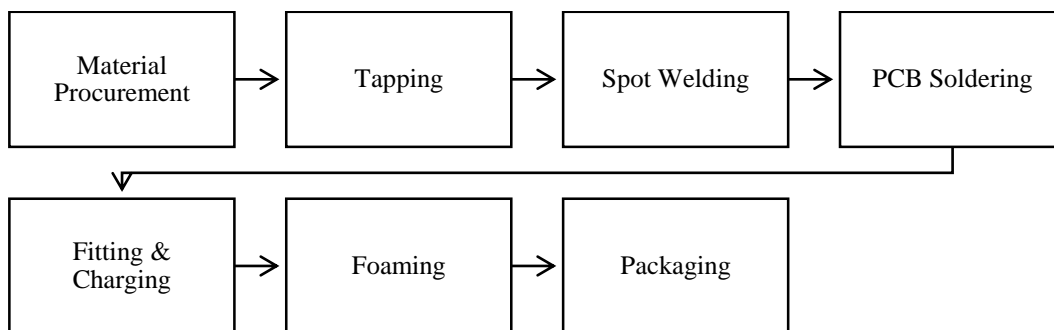
Clamping – An electronic circuit is added on the body of mobile charger which becomes an integral part used for passing the electric current to the charging device. Clamping is done on both the top cover as well as the middle cover.

PCB Fitting & Testing–The motherboard is fitted inside the back side of the charger cover which is attached with clamped portion of the charger. This is then checked through a machine with regards to proper functioning of the charger.

Screwing – Once the product clears the testing process and modifications required if any, then the charger body is screwed together to make it a complete finished product.

Packaging & Container–After the charger is completely made and tested, they are packed together into boxes and subsequently to the container boxes which have the print of our logo.

**Power Bank:**



Material Procurement–Major raw materials and parts required are battery cell, top and back cover, PCB. These material are procured from subsidiary in bulk along with materials for other products.

Taping–Taping of battery is done to attach motherboard to the body of the battery. Further, it is also done to ensure that strips and motherboard remains intact in its position.

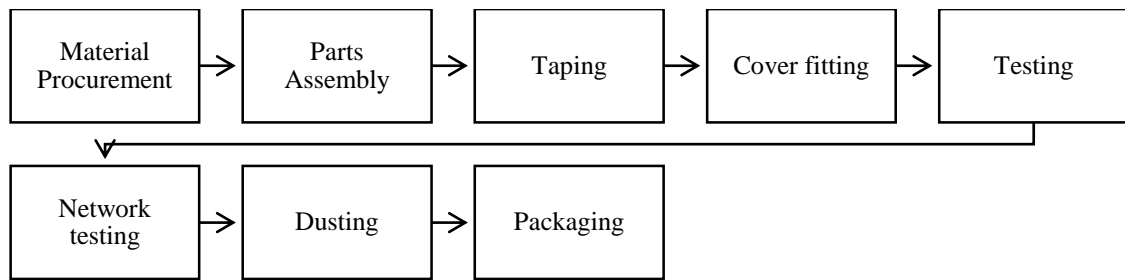
Spot Welding -Spot welding of PCB on to the Li-Ion cell through ferro –nickel stripe which are then tested for any impedance.

PCB Soldering - We procure PCB in ready to use form, it needs to be soldered onto it before it can be used in any electronic equipment or gadget. This assembly of electronic components depends on type of circuit board, type of electronic components and purpose of the circuit board. This process is done manually using a small hand-held machine.

Fitting & Testing – The battery body is then fitted in the cover case to give a final shape of the power bank. This is then checked through a machine with regards to proper functioning and to identify any defect which can be rectified before processing further.

Packaging – After successful testing and covering of the power bank, they are packed together into boxes having print of our Company with other details. These are then ready for transportation to distributors.

**Mobile Phones:**



**Material Procurement**–Major raw material required for mobile phone assembly are PCB, Camera, Display, Mic, Bluetooth wiring, Flash, etc. These are procured via our subsidiary. All the required materials are procured in bulk quantity and sufficient quantity of stock is maintained at the manufacturing premises.

**Parts Assembly**–All the parts are assembled together sequentially starting from PCB fitting following Bluetooth wire, Mic, Camera, Flash, Speaker, Display, front covering, back covering in an order. This gives a complete raw structure of a mobile phone.

**Taping**–After assembling the parts together, PCB board is taped with other parts giving strength to the mobile parts to avoid misplacing of parts from their places.

**Cover Fitting** – Once the mobile phone is ready with all the parts assembled together, covers are fitted onto the body of the mobile phone which gives a complete saleable body.

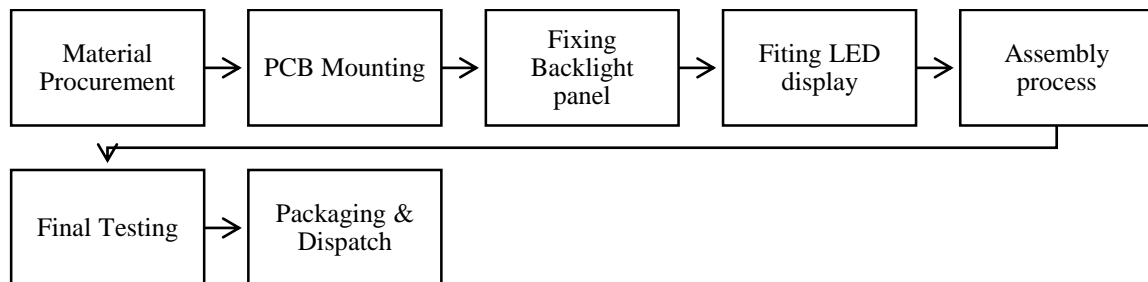
**Testing** – Giving importance to the quality standards, after the covering of the mobile phones, they are put to testing to ensure they are meeting the quality standards and are defect free with regards to all features of the phone.

**Network testing**–Checking the network connectivity post the testing of the mobile phone is the most important and the last step of mobile assembly which is tested through a device.

**Dusting** – Once the mobile phones clears all the tests, it is passed through air-tight chamber with the purpose of removing dust from the mobile phones, if any. This helps in avoiding any under-performance or poor display of the mobile.

**Packaging**–At the final stage of the assembly, the mobile phone is packed in the box which are pre-printed from third-party printer shops. Boxes are then packed in the larger containers which are then transported to distributors.

#### LED TVs:



**Material Procurement**– Major raw materials required for assembly of TV sets includes PCB, LED Display, and LED backlight panels. All these parts and equipment are procured from our subsidiary company which purchases from vendors in China.

**PCB Mounting**–PCB being one of the most important components of a TV set is mounted on the back panel of the TV sets with wiring. PCB converts the signal to visible display.

**Fixing backlight panel** – It is a flat panel display which used LED backlighting instead of the Cold Cathode Fluorescent backlighting. This is attached on the TV set in this stage.

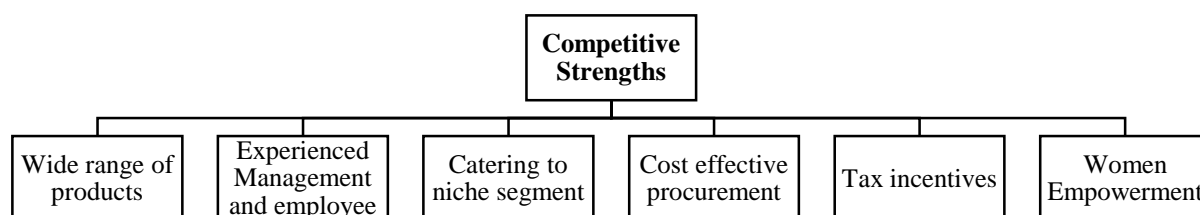
**Fiting LED display** – It is a flat panel display, which uses an array of light emitting diodes as pixels for video quality. LED display is connected with backlight panel.

**Assembly process** – After fitting & fixtures of LED panels, connecting all wires to PCBs & attach with the display and fitting all covers on production line.

**Final Testing** – After the assembly is completed, operator manually checks for any visual defects. After visual inspection, all features and functions are tested according to the model.

Packaging & Dispatch—When the units successfully clears all test and passes on all parameters, these units are packed in the box with other accessories for dispatch to the distributors.

## OUR COMPETITIVE STRENGTHS



### Wide range of products:

Our Company since its inception have been expanding its product portfolio, started as a distributor of mobile accessories, our Company has evolved itself into a consumer Electronics Company engaged into manufacturing and marketing of its products. Our Company has wide range of products ranging from mobile accessories to mobile phones to LED and Smart TVs. Our wide offerings have aided our Company to create a brand image and establish a wide distributorship network in the northern states of India.

### Experienced Management and Employee Base:

Our Promoter, Gunnit Singh Allagh and Sanchit Allagh along with an experienced management has more than a decade of experience in the consumer electronics segment. Our management has developed cordial relationships with suppliers and customers and has woven a wide distributorship network over the years. We also have employed people in different areas of work who have required technical competence and qualifications. We believe that the success of our organization lies in the efforts of our human resources.

### Catering to niche segment:

Our Company has always aimed to cater the rural areas and Tier -2 and Tier-3 cities in Northern parts of the country. Customer in this area across India prefers to purchase devices which are affordable and pocket-friendly. As we are into basic feature mobile phone manufacturing, demand for such products are high in these areas consequently leading to higher demand of related accessories.

### Cost effective procurement:

As we strive to sell at a lower price in the market, it is important for us to curtail the costs of our products at the same time without compromising with the quality. We import materials from China and we understand that purchasing in bulk quantity aids us for better price negotiations. Addressing the same, we have set up a subsidiary with local employees having local connect helping us to procure materials and equipment from quality vendors at reasonable price and terms. We place bulk orders with the vendors and take delivery of the same as and when required. These have helped us for continuous supply of materials and procure at reasonable cost.

### Tax Incentives:

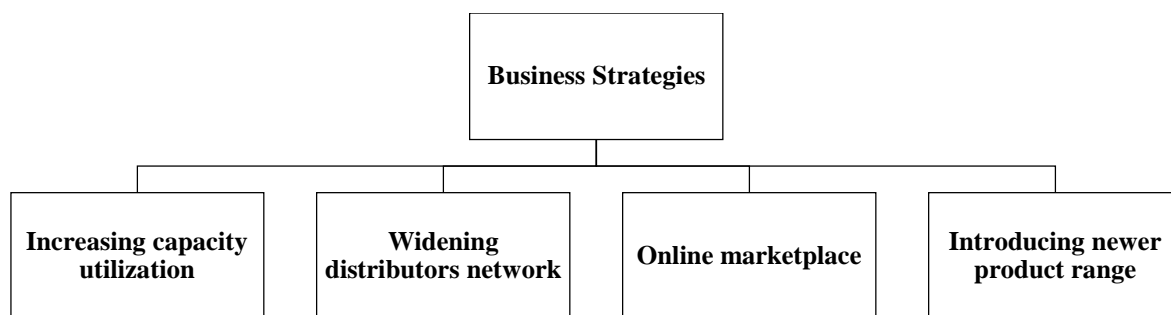
Tax incentives provided by Government of India for boosting the manufacturing activities in Uttarakhand were one of the prime reasons for setting up manufacturing facility in Haridwar. Our Company has got certain tax incentives in the form of GST refund, lower custom duty and Income tax exemption. These have also helped to be competitive increasing our profitability. For further details on tax benefits, please refer to section titled – “Statement of Tax Benefits” beginning Page 81 of this Red Herring Prospectus.

### Women empowerment:

60% of the workforce in the SIIDCUL, Haridwar plant consists of women. Our Company believes that women should participate fully in the economic growth across all sectors thereby improving the quality of life for women, men, families and entire communities.

## OUR BUSINESS STRATEGY





**Increasing capacity utilization:**

Our Company on an overall basis is currently operating at around 1/3<sup>rd</sup> of its installed capacity, owing to the constraints in funds required in working capital cycle. With the proceeds of this Issue, we will be expanding our capacity utilization and increase our production to meet the growing market demand. With the availability of labour force and the requisite machineries and facilities, we will be able to ramp up our production, which will generate more revenue leading to better financial performance. This will further enhance optimum utilization of fixed costs overhead. For detailed information on capacity utilization, please refer section titled – Capacity utilization beginning Page 110 of this Red Herring Prospectus.

**Widening distributorship network:**

With increased production, we need to strengthen our supply chain. Our Company currently has a distributor network of 20 distributors in Northern India. As we rely solely on our distributor network for our sales activity, we acknowledge to expand our distributor network so as to penetrate more into Tier-2 and Tier-3 cities. We understand with large distributor network, we will have better brand recall and easy availability of our products, at the same time avoiding the risk of over-dependency on few set of distributors. To penetrate deep into the markets, we need to expand our reach with distributors which has wider range of whole-sellers and retailers network.

**Online marketplace:**

Till date, our Company has been selling its products through e-commerce websites at an initial stage which can boost revenues by a substantial amount owing to wider market reach. By expanding its operational activity, we will be able to cater the increased demand thereby launching our products on e-commerce websites. We plan to list our wide products range on such platforms which will bring orders from our focussed areas thereby expanding our market reach to next level.

**Introducing newer product range:**

Our Company with an aim to become a consumer electronics company has been adding newer products in its portfolio since its inception. To increase its brand image and market acceptance, our Company plans to continue introducing newer products and updated models for products already introduced. By offering large product range, we will continue to increase our revenue organically. Further, this will enable us to reduce the risk of product getting obsolete thereby impacting the overall profitability.

**SWOT ANALYSIS**

**Strengths**

- **Experienced Management**– With experience of more than a decade in the industry, our Company has an experienced management and promoter team which leads the operational decisions for the Company.
- **Wide range of products** – Our Company offers wide range of products which completes the basket of consumer durables electronics. Our wide offerings help us in getting preference by our distributors.
- **Focussed segment**– We cater only in rural areas and Tier-2 and Tier-3 cities of Northern India allowing us to focus our business activity and decision as per the demand scenario.

**Weakness**

- **Manual manufacturing process** – Our Company is into manufacturing process, the activity of which is done manually and is largely dependent on labour.

- **Limited market reach** –Although our Company is present across Northern India, however, with only 20 distributors network, the market reach of the Company is not deep-rooted and hence brand recall is not as easy as other established players.

### **Opportunities**

- **Growing market size**– TV market size is expected to reach Rs. 862 billion by FY 2020. The TV market has grown at CAGR of ~15% over the last 5 years and the feature mobile phone market grew by 55% in Q4 2017 and the accessories market is growing at CAGR of 10.4%. With this market size, there is enough scope for our Company to grow organically. (Source: CARE Industry Research Report)
- **Government initiative**–Government focus on “Make in India” initiative will be a boost for mobile parts manufacturing which is currently being procured from China. With the production within the country, cost of production is expected to reduce substantially. Further, for promotion of local manufacturing, government has removed certain import duties.

### **Threats**

- **Competition from established players**– Established players in the organised sector which are larger in size and experience bring tough competition within the industry with their ability to produce higher quality products at reasonable prices.
- **Lower bargaining power**– As most of the raw materials are procured from China which boasts of the largest producer in the category leads to lower bargaining power of manufacturers apart from the trade to be conducted mostly on their terms.

### **COLLABORATIONS/TIE UPS/JOINT VENTURES**

As on the date of this Red Herring Prospectus, our Company has not entered into any technical or other collaboration/ tie ups/ joint ventures.

### **CAPACITY AND CAPACITY UTILIZATION**

Our Company majorly deals into manufacturing of mobile phones, accessories, TV sets, the details of which are as under:

(No. in units)

Particulars		Actual			
		2015-16	2016-17	2017-18	December 31, 2018*
Mobile Battery	Installed	275,00,000	330,00,000	412,50,000	309,37,500
	Utilization	101,92,135	159,15,700	192,64,245	137,20,153
Mobile Chargers	Installed	82,50,000	137,50,000	137,50,000	103,12,500
	Utilization	15,40,967	20,87,304	35,10,214	30,05,522
Mobile Phones	Installed	68,75,000	137,50,000	137,50,000	103,12,500
	Utilization	4,15,473	3,17,664	8,24,654	414,665
TV Sets	Installed	-	1,37,500	3,30,000	247,500
	Utilization	-	44,370	40,981	23,642

Note: Power Bank is included in Mobile battery.

\*Company has considered 275 days in a year.

### **COMPETITION**

This industry faces intense competition from multinational players due to homogeneity in products, low switching costs, big spend on advertisements and brand display. Further, with higher buying power of customers and lower bargaining power of manufacturers add ups to the competition.

Further, with growing consumption in Indian market, supply for these devices is expected to rise with more number of suppliers entering into the market. Accordingly, we face competition from unorganized sectors also with many small and medium-sized companies and entities. Despite of unorganized players, organised sectors accounts for majority of the Electronics industry market size. We intend to continue competing vigorously to capture more market share and manage our growth in an optimal way.

Few of the major competitors in our industry are:

## 1. Dixon Technologies Ltd.

### EXPORT AND EXPORT OBLIGATION

As on date of this Red Herring Prospectus, Our Company has the following Export Obligations under Export Promotion Capital Goods (EPCG) Scheme of Government of India:

Licence No.	Date of Licence	Export Obligation (in US\$)	Export Obligation fulfilled (in US\$)	Duty Saved (Amount in Rs. Lakhs)	Export Obligation Outstanding as at December 31, 2018 (in Rs. Lakhs)	Period
0530158451/ 3/11/00	30/05/2012	1,455,750	1,130,800.00	96.62	-	8 Years
0530164370/ 3/12/00	17/02/2015	2,656,220	-	275.80	1,10,3.22	6 Years

### UTILITIES & INFRASTRUCTURE FACILITIES

#### Infrastructure Facilities

Our **registered office** is situated at Karol Bagh in Delhi, is well equipped with computer systems, internet connectivity, other communications equipment, security and other facilities, which are required for our business operations to function smoothly.

Our manufacturing facility is located at SIIDCUL, Haridwar, it is equipped with requisite utilities and facilities including the following:

**Power** - Our Company meets its basic power requirements by purchasing electricity from State Electricity Board.

**Water** - Adequate arrangements with respect to water requirements for drinking purpose are made at the offices of the Company.

### END USERS

Our products are aimed at customers who prefer low cost products with sustainable quality. We cater to the northern parts of domestic market to customers in rural areas and Tier -2 and Tier-3 cities.

We sell our products directly to distributors and they in-turn sell to whole-sellers and retailers.

### HUMAN RESOURCES

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

As on December 31, 2018 we have 20 employees at registered office of the Company on payroll. We have 106 labourers in our manufacturing facility. Our employees look after our business operations, administrative, secretarial, legal, marketing and accounting functions in accordance with their respective designated goals. Our manpower is a prudent mix of the experienced and youth which gives us the dual advantage of stability and growth. Our work progress and skilled/ semi-skilled/ unskilled resources together with our strong management team have enabled us to successfully implement our growth plans.

### SALES & MARKETING

The efficiency of the marketing and service network is critical success of our Company. Our success lies in the strength of our customer loyalty for our range of products at competitive prices. Our team through their experience and good rapport with the clients, primarily distributors, owing to timely and quality delivery of products plays an instrumental role in creating and expanding a work platform for our Company.

We believe our relationship with the clients is long and established as we receive repeated orders. At present, we have a marketing team who looks after our client relations and business development. Further we also have our own website displaying and offering our variety of products thereby supporting in promotion of our brand and products. We intend to expand our existing customer base by reaching out to other geographical areas. Our marketing team is ready to take up challenges so as to scale new heights.

### INSURANCE

Our insurance policies are subject to customary exclusions and deductibles. We believe that our insurance coverage is adequate for our business needs and operations. We will continue to review our policies to ensure adequate insurance coverage is maintained. These Policies insure our assets against standard fire and special perils and workmen compensation, the details are as under:

Policy No.	Insurance type	Insurer	Asset Insured	Sum Assured	Period From	Period To
0000000010969063	Standard Fire and Special Perils	SBI General Insurance Company Limited	Buildings	Rs. 240.00 Lakhs	November 30, 2018	November 29, 2019
0000000010965247	Burglary	SBI General Insurance Company Limited	Stocks	Rs. 1450.00 Lakhs	November 30, 2018	November 29, 2019
0000000010967363	Standard Fire and Special Perils	SBI General Insurance Company Limited	Stocks, Furniture, Buildings and Machinery	Rs. 3352.00 Lakhs	November 30, 2018	November 29, 2019

## INTELLECTUAL PROPERTY RIGHTS

### TRADEMARKS

Sr. No.	Trademark	Trademark Type	Class	Applicant	Application No.	Date of Application	Validity / Renewal	Registration status
1.		Device	9	Suich India Private Limited	2425711	November 8, 2012	November 8, 2022	Registered
2	FRFONERANGE	Word	9	Delhi Fone N Batteries Private Limited	1972364	May 28, 2010	May 28, 2020	Registered
3		Device	9	Suich Industries Limited	3790759	March 28, 2018	March 28, 2028	Registered
4		Device	9	Delhi Fone N Batteries Private Limited	2218187	October 11, 2011	October 11, 2021	Registered
5		Device	9	Delhi Fone N Batteries Private Limited	1723434	August 21, 2008	NA	Abandoned

6	EVERPLUS	Word	9	Suich Industries Private Limited	2840647	November 11, 2014	NA	Abandoned
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#### LAND AND PROPERTY

##### Leasehold/ Owned Properties:

Sr. No.	Lessor/Owner Name	Address of the Property	Area of the property	Consideration Paid	Usage
1.	State Infrastructure and Industrial Development Corporation of Uttarakhand Limited (Lessor)	Sector-7, Plot No. 106, IIE SIDCUL, Haridwar, Uttaranchal – 249401, India	7,500 sq. meter	Rs. 84.89 Lakhs	Manufacturing Unit
2.	Suich Industries Limited (Owner)	10582, Plot No – 68, Block-5, WEA, Karol Bagh, New Delhi, 110005, India	254 sq. yards	Rs. 50.00 Lakhs	Registered Office

##### Rented Properties:

Sr. No.	Owner	Address of the Property	Period From	Period To	Rental Consideration
1.	SG Consultancy Services	G-2A, Green Wood City, Gurgaon – 122001, Haryana, India	12.09.2017	12.09.2018 [Expired]	Rs. 25,000 p.a.

## KEY INDUSTRY REGULATIONS AND POLICIES

Except as otherwise specified in this Red Herring Prospectus, the Companies Act, 1956 / the Companies Act, 2013, we are subject to a number of central and state legislations which regulate substantive and procedural aspects of our business. Additionally, our operations require sanctions from the concerned authorities, under the relevant Central and State legislations and local bye-laws. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business as a player in the business of manufacturing, assembly and trade in all kind of Consumer Electronics industry, such as Feature Mobile Phone / Cellular Phones, its Batteries and accessories, Power Bank, Mobile Charger, LED TV etc. Taxation statutes such as the I.T. Act, and applicable Labour laws, environmental laws, contractual laws, intellectual property laws as the case may be, apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. The regulations set out below may not be exhaustive, and are only intended to provide general information to Applicants and is neither designed nor intended to be a substitute for professional legal advice.

### APPROVALS

For the purpose of the business undertaken by our Company, our Company is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled “Government and Other Statutory Approvals” beginning on page number 174 of this Red Herring Prospectus.

### APPLICABLE LAWS AND REGULATIONS

#### BUSINESS/TRADE RELATED LAWS/REGULATIONS

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

In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (“MSME”) the Micro, Small and Medium Enterprises Development Act, 2006 is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and Regulation) Act, 1951 as “micro enterprise”, where the investment in plant and machinery does not exceed twenty-five lakh rupees; “Small enterprise”, where the investment in plant and machinery is more than twenty-five lakh rupees but does not exceed five crore rupees; or a medium enterprise, where the investment in plant and machinery is more than five crore but does not exceed ten crore rupees and in the case of the enterprise engaged in the services, “Micro – enterprise”, where the investment in equipment does not exceed ten lakh rupees, “Small Enterprise” where the investment in equipment is more than ten lakh rupees but does not exceed two crore rupees, or “Medium Enterprise” where the investment in equipment is more than two crore rupees but does not exceed five crore rupees.

##### **National Policy on Electronics, 2012**

The Ministry of Communication and Information Technology, Department Electronics and Information vide a notification no. (File No: 26(4)/2011- IP HW) dated November 19, 2012 notified the Nationalised Policy for Electronics. This Policy was incorporated to create an ecosystem for a globally competitive ESDM in the country to achieve a turnover of about USD 400 Billion by 2020 involving investment of about USD 100 Billion –and employment to around 28 Million people at various levels. In order to build on the emerging chip design and embedded software industry to achieve global leadership in VLSL, chip design and other frontier technical areas and to achieve turnover of USD 55 Billion by 2020, also to build a strong supply chain of raw materials, parts and electronic components to raise the indigenous availability of these inputs are available from present 20-25% to over 60% by 2020. This policy promotes in creating long term partnership between ESDM and Strategic and Core infrastructure sectors- Defense, Atomic energy, Space, Railways, Power, telecommunication etc. It also promotes India to become a global leader in creating IP in the ESDM sector by increasing fund flow for R&D, Seed Capital and Venture Capital for SMES and Startup in the ESDM and Nano electronics sectors. This policy is to support the development and manufacturing capabilities for sectors like automotive electronics, Medical Electronics, Solar Photovoltaic, Information and Broadcasting, Telecommunication, Railways, Games and Toys. This policy facilitates environment to be eco-friendly through the implementation of e-waste (Management and Handling) Rules, 2011 which includes restrictions and usage of hazardous substances as per global best-practices. This policy

facilitates to promote National Electronics Mission with industry participation to pursue the policies laid down for evolving programmers in order to create institutional mechanisms to advance the implementation of various programmes to enhance and promote India as an Electronic Hardware Manufacturing Hub and suitably market “Brand India” in Electronics.

## **INDUSTRIAL POLICY OF RELEVANT STATE**

### **Industrial Policy of Delhi**

The industrial policy for Delhi 2010-2021 aims to: promote non-polluting and clean industries; promote high-technology and skilled industries in Delhi, to keep in migration of unskilled labour to minimum; develop world-class infrastructure within planned industrial estates and regularized industrial clusters; promote cluster approach and walk to work concepts, wherever possible; facilitate business through procedural simplifications and e-governance measures; and promote transparent and business friendly environment.

## **ANTI-TRUST LAWS**

### **Competition Act, 2002**

An act to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect interest of consumer and to ensure freedom of trade in India. The act deals with prohibition of agreements and Anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act.

The prima facie duty of the commission is to eliminate practices having adverse effect on competition, promote and sustain competition, protect interest of consumer and ensure freedom of trade. The commission shall issue notice to show cause to the parties to combination calling upon them to respond within 30 days in case it is of the opinion that there has been an appreciable adverse effect on competition in India. In case a person fails to comply with the directions of the Commission and Director General he shall be punishable with a fine which may exceed to Rs. 1 lakh for each day during such failure subject to maximum of Rupees One Crore.

## **GENERAL CORPORATE COMPLIANCE**

### **The Companies Act 1956 and the Companies Act, 2013**

The consolidation and amendment in the law relating to the Companies Act, 1956 made way to the enactment of the Companies Act, 2013. The Companies Act 1956 is still applicable to the extent not repealed and the Companies Act, 2013 (and the amendments thereof) is applicable to the extent notified. The act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. 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. A company can be formed by seven or more persons in case of public company and by two or more persons in case of private company. A company can even be formed by one person i.e., a One Person Company. The provisions relating to forming and allied procedures of One Person Company are mentioned in the act.

Further, Schedule V (read with sections 196 and 197), Part I lays down the 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 of the directors payable by the companies is under Part II of the said schedule.

## **EMPLOYMENT AND LABOUR LAWS**

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

The Contract Labour (Regulation and Abolition) Act, 1970 (“CLRA”) has been enacted to regulate the employment of contract labour in certain establishments, the regulation of their conditions and terms of service and to provide for its abolition in certain circumstances. The CLRA applies to every establishment in which 20 or more workmen are employed or were employed on any day of the preceding 12 months as contract labour. The CLRA vests the responsibility on the principal employer of an establishment to which the CLRA applies to make an application to the registered officer in the prescribed manner for registration of the establishment. In the absence

of registration, a contract labour cannot be employed in the establishment. Likewise, every contractor to whom the CLRA applies is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued. To ensure the welfare and health of the contract labour, the CLRA imposes certain obligations on the contractor in relation to establishment of canteens, rest rooms, drinking water, washing facilities, first aid, other facilities and payment of wages. However, in the event the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA.

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

The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("the EPF Act") is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees' provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund. The Central Government under Section 5 of the EPF Act (as mentioned above) frames Employees Provident Scheme, 1952.

#### **The Employees Compensation Act, 1923**

The Employees Compensation Act, 1923 ("EC Act") (and the amendments thereof) provides for payment of compensation to injured employees or workmen by certain classes of employers for personal injuries caused due to an accident arising out of and during the course of employment. Under the EC Act, the amount of compensation to be paid depends on the nature and severity of the injury. The EC Act also lays down the duties/obligations of an employer and penalties in cases of non-fulfilment of such obligations thereof. There are separate methods of calculation or estimation of compensation for injury sustained by the employee. The employer is required to submit to the Commissioner for Employees' Compensation a report regarding any fatal or serious bodily injury suffered by an employee within seven days of death\ serious bodily injury.

#### **Employees Deposit Linked Insurance Scheme, 1976**

The scheme shall be administered by the Central Board constituted under section 5A of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under Section 8A of the act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to Commissioner or other officer so authorized shall be produced for inspection from time to time. The amount received as the employer's contribution and also Central Government's contribution to the insurance fund shall be credited to an account called as "Deposit-Linked Insurance Fund Account."

#### **The Employees' Pension Scheme, 1995**

Family pension in relation to this act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 59 years in order to be eligible for membership under this act. Every employee who is member of EPF or PF has an option of the joining scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the entire employee who is member of the fund.

#### **Employees' State Insurance Act, 1948 (the "ESI Act")**

The Employees' State Insurance Act, 1948 (the "ESI Act") an act to provide for certain benefits to employees in case of sickness, maternity and 'employment injury' and to make provision for certain other matters in relation thereto. It shall apply to all factories (including factories belonging to the Government) other than seasonal factories. Provided that nothing contained in this sub-section shall apply to a factory or establishment belonging to or under the control of the Government whose employees are otherwise in receipt of benefits substantially similar or superior to the benefits provided under this Act. The ESI Act requires all the employees of the establishments to which this Act applies to be insured in the manner provided there under. Employer and



employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the Employee State Insurance department.

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

The Payment of Bonus Act, 1965 imposes statutory liability upon the employers of every establishment in which 20 or more persons are employed on any day during an accounting year to pay bonus to their employees. It further provides for payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity.

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

The Payment of Gratuity Act, 1972 shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which ten or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf.. A shop or establishment to which this act has become applicable shall be continued to be governed by this act irrespective of the number of persons falling below ten at any day. The gratuity shall be payable to an employee on termination of his employment after he has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease. The five year period shall be relaxed in case of termination of service due to death or disablement.

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

The Minimum Wages Act, 1948 (“MWA”) came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MWA, every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, manual or clerical (including out-workers) in any employment listed in the schedule to the MWA, in respect of which minimum rates of wages have been fixed or revised under the MWA. Construction of Buildings, Roads, and Runways are scheduled employments. It prescribes penalties for non-compliance by employers for payment of the wages thus fixed.

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

The Maternity Benefit Act, 1961 provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months’ notice shall apply any of the provisions of this act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

#### **Equal Remuneration Act, 1979**

The Equal Remuneration Act 1979 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith. The act was enacted with the aim of state to provide Equal Pay and Equal Work as envisaged under Article 39 of the Constitution.

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

The Child Labour Prohibition and Regulation Act 1986 prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Employment of Child Labour in our industry is prohibited as per Part B (Processes) of the Schedule.

#### **Trade Union Act, 1926 and Trade Union (Amendment) Act, 2001**

Provisions of the Trade Union Act, 1926 provides that any dispute between employers and workmen or between workmen and workmen, or between employers and employers which is connected with the employment, or non-employment, or the terms of employment or the conditions of labour, of any person shall be treated as trade

dispute. For every trade dispute a trade union has to be formed. For the purpose of Trade Union Act, 1926, Trade Union means combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, or between employers and employers, or for imposing restrictive condition on the conduct of any trade or business etc.

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

In order to curb the rise in sexual harassment of women at workplace, this act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms sexual harassment and workplace are both defined in the act. Every employer should also constitute an “Internal Complaints Committee” and every officer and member of the company shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organising awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

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

This Act has been enacted with an aim to regulate the employment of inter-state migrant workmen and to provide for their conditions of service. It is applicable to every establishment employing five or more inter-state migrant workmen or having employed in the past twelve months and to every contractor who employs or who employed five or more inter-state migrant workmen in the past twelve months. Every Principal Employer of the establishment employing inter-state migrant workmen has to make an application for the registration of the establishment in the prescribed manner and time. Also a contractor employing inter-state migrant workmen has to obtain a license for the same from the licensing officer appointed for the purpose by the Central or the state Government. The license is valid only for a specified period and requires to be renewed at its expiry. The Act levies some duties on the principal employer and the contractor. The contractor has to provide for adequate wages, medical facilities and other benefits while it is the responsibility of the principal employer to provide for the displacement allowance and journey allowance to the workmen.

#### **Industrial Disputes Act, 1947 (“ID Act”) and Industrial Dispute (Central) Rules, 1957**

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

### **TAX RELATED LEGISLATIONS**

#### **Value Added Tax**

Value Added Tax (“VAT”) is a system of multi-point Levy on each of the purchases in the supply chain with the facility of set-off input tax on sales whereby tax is paid at the stage of purchase of goods by a trader and on purchase of raw materials by a manufacturer. VAT is based on the value addition of goods, and the related VAT Liability of the dealer is calculated by deducting input tax credit for tax collected on the sales during a particular period. VAT is a consumption tax applicable to all commercial activities involving the production and distribution of goods and the provisions of services, and each state that has introduced VAT has its own VAT Act, under which, persons liable to pay VAT must register and obtain a registration number from Sales Tax Officer of the respective State.

Note: The VAT Act now has been replaced by the Goods and Service Tax (GST) Act, 2017.

## **Service Tax**

Chapter V of the Finance Act, 1994 as amended, provides for the levy of a service tax in respect of 'taxable services', as specified in entry 39 defined therein. The service provider of taxable services is required to collect service tax from the recipient of such services and pay such tax to the Government. Every person who is liable to pay this service tax must register himself with the appropriate authorities. According to Rule 6 of the Service Tax Rules, every assessee is required to pay service tax in TR 6 challan by the 5th / 6th of the month immediately following the month to which it relates. Further, under Rule 7 (1) of Service Tax Rules, the Company is required to file a half yearly return in Form ST 3 by the 25th of the month immediately following the half year to which the return relates.

Note: The Service Tax now has been replaced by the Goods and Service Tax (GST) Act, 2017.

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

The main object of this act is to formulate principles for determining (a) when a sale or purchase takes place in the course of trade or commerce (b) when a sale or purchase takes place outside a State (c) when a sale or purchase takes place in the course of imports into or export from India, to provide for levy, collection and distribution of taxes on sales of goods in the course of trade or commerce, to declare certain goods to be of special importance trade or commerce and specify the restrictions and conditions to which State Laws imposing taxes on sale or purchase of such goods of special importance (called as declared goods) shall be subject. CST Act imposes the tax on interstate sales and states the principles and restrictions as per the powers conferred by Constitution.

Note: The CST Act now has been replaced by the Goods and Service Tax (GST) Act, 2017.

## **Customs Act, 1962**

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taking out of India to a place outside India. Any Company requiring to import or export any goods is first required to get it registered and obtain an IEC (Importer Exporter Code). Imported goods in India attract basic customs duty, additional customs duty and education cess. The rates of basic customs duty are specified under the Customs Tariff Act 1975. Customs duty is calculated on the transaction value of the goods. Customs duties are administered by Central Board of Excise and Customs under the Ministry of Finance.

## **The Central Excise Act, 1944**

The Central Excise Act, 1944 ("Central Excise Act") consolidates and amends the law relating to Central Duties of Excise on goods manufactured or produced in India. Excisable goods under the Act means goods specified in the Schedule to the Central Excise Tariff Act, 1985 as being subject to duty of excise. Factory means any premises, including the precincts thereof, wherein or in any part of which excisable goods are manufactured, or wherein or in any part of which any manufacturing process connected with the production of these goods being carried on or is ordinarily carried out. Under the Act a duty of excise is levied on all excisable goods, which are produced or manufactured in India as and at the rates, set forth in the First Schedule to the Central Excise Tariff Act, 1985.

Note: The Central Excise Act now has been replaced by the Goods and Service Tax (GST) Act, 2017

## **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. GST provides for imposition of tax on the supply of goods or services and will be levied by Centre on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination based consumption tax GST would be a dual GST with the centre 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 thereunder. It replaces 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.

Taxpayers with an aggregate turnover of Rs. 20 lakhs would be exempt from tax. The exemption threshold for special category of states like North-East shall be Rs. 10 lakhs. Small taxpayers with an aggregate turnover in preceding financial year upto Rs. 75 lakhs (50 lakhs in case of special category states) may opt for composition levy. Under GST, goods and services are taxed at the following rates, 0%, 5%, 12% and 18%. There is a special rate of 0.25% on rough precious and semi-precious stones and 3% on gold. In addition a cess of 15% or other rates on top of 28% GST applies on few items like aerated drinks, luxury cars and tobacco products.

Export and supplies to SEZ shall be treated as zero-rated supplies. Import of goods and services would be treated as inter-state supplies. 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 number known as Goods and Service Tax Identification Number (GSTIN). In case a person has multiple business verticals in multiple location in a state, a separate application will be made for registration of each and every location. The registered assessee are then required to pay GST as per the rules applicable thereon and file the appropriate returns as applicable thereon.

## **OTHER LAWS**

### **The Factories Act, 1948 (“Factories Act”)**

The Factories Act, 1948 aims at regulating labour employed in factories. A “factory” is defined as “any premises... whereon ten or more workers are working or were working on any day of the preceding twelve months, and in any part of which a manufacturing process is being carried on with the aid of power, or is ordinarily so carried on, or whereon twenty or more workers are working, or were 81 working on any day of the preceding twelve months, and in any part of which a manufacturing process is carried on without the aid of power, or is ordinarily so carried on...”. The main aim of the said Act is to ensure adequate safety measures and to promote the health and welfare of the workers employed in factories initiating various measures from time to time to ensure that adequate standards of safety, health and welfare are achieved at all the places.

Under the Factories Act, the State Government may make rules mandating approval for proposed factories and requiring licensing and registration of factories. The Factories Act makes detailed provision for ensuring sanitary conditions in the factory and safety of the workers and also lays down permissible working hours, leave etc. In addition, it makes provision for the adoption of worker welfare measures. The prime responsibility for compliance with the Factories Act and the rules thereunder rests on the “occupier”, being the person who has ultimate control over the affairs of the factory. The Factories Act states that save as otherwise provided in the Factories Act and subject to provisions of the Factories Act which impose certain liability on the owner of the factory, in the event there is any contravention of any of the provisions of the Factories Act or the rules made thereunder or of any order in writing given thereunder, the occupier and the manager of the factory shall each be guilty of the offence and punishable with imprisonment or with fine. The occupier is required to submit a written notice to the chief inspector of factories containing all the details of the factory, the owner, manager and himself, nature of activities and such other prescribed information prior to occupying or using any premises as a factory. The occupier is required to ensure, as far as it is reasonably practicable, the health, safety and welfare of all workers while they are at work in the factory.

### **Shops and establishments laws in various states**

Under the provisions of local Shops and Establishments laws applicable in various states, establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

The Delhi Shops and Establishment Act, 1954 is applicable on our Company.

## **ENVIRONMENTAL LEGISLATIONS**

### **The Environment Protection Act, 1986**

The purpose of the Environment Protection Act ("Environment Protection Act") is to act as an "umbrella" legislation designed to provide a frame work for Central government co-ordination of the activities of various central and state authorities established under previous laws. The Environment Protection Act authorizes the central government to protect and improve environmental quality, control and reduce pollution from all sources, and prohibit or restrict the setting and /or operation of any industrial facility on environmental grounds. The Act prohibits persons carrying on business, operation or process from discharging or emitting any environmental pollutant in excess of such standards as may be prescribed. Where the discharge of any environmental pollutant in excess of the prescribed standards occurs or is apprehended to occur due to any accident or other unforeseen act, the person responsible for such discharge and the person in charge of the place at which such discharge occurs or is apprehended to occur is bound to (a) prevent or mitigate the environmental pollution caused as a result of such discharge and should intimate the fact of such occurrence or apprehension of such occurrence; and (b) be bound, if called upon, to render all assistance, to such authorities or agencies as may be prescribed.

### **Air (Prevention and Control of Pollution) Act, 1981**

The Air (Prevention and Control of Pollution) Act, 1981 ("Air Act") was enacted with an objective to protect the environment from smoke and other toxic effluents released in the atmosphere by industries. With a view to curb air pollution, the Air Act has declared several areas as air pollution control area and also prohibits the use of certain types of fuels and appliances. Prior written consent is required of the board constituted under the Air Act, if a person intends to commence an industrial plant in a pollution control area.

### **Water (Prevention and Control of Pollution) Act, 1974**

The Water (Prevention and Control of Pollution) Act, 1974 ("Water Act") was enacted with an objective to protect the rivers and streams from being polluted by domestic and industrial effluents. The Water Act prohibits the discharge of toxic and poisonous matter in the river and streams without treating the pollutants as per the standard laid down by the Pollution control boards constituted under the Act. A person intending to commence any new industry, operation or process likely to discharge pollutants must obtain prior consent of the board constituted under the Water Act.

### **Hazardous Waste (Management and Handling) Rules, 1989**

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

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

The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008 ("Hazardous Wastes Rules") (and the amendments thereof) impose an obligation on every occupier of an establishment generating hazardous waste to recycle or reprocess or reuse such wastes in a registered recycler or to dispose of such hazardous wastes in an authorized disposal facility. Every person engaged, inter alia, in the generation, processing, treatment, package, storage and destruction of hazardous waste is required to obtain an authorization from the relevant state pollution control board for collecting, recycling, reprocessing, disposing, storing and treating the hazardous waste.

### **The Public Liability Insurance Act, 1991**

This Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the Government by way of a notification. The owner or handler is also required to take out an insurance policy insuring against liability under the legislation. The rules made under the Public Liability Act mandate that the employer has to contribute towards the environment relief fund, a sum equal to the premium paid on the insurance policies. The amount is payable to the insurer.

## **National Environmental Policy, 2006**

This Policy seeks to extend the coverage, and fill in gaps that still exist, in light of present knowledge and accumulated experience. This policy was prepared through an intensive process of consultation within the Government and inputs from experts. It does not displace, but builds on the earlier policies. It is a statement of India's commitment to making a positive contribution to international efforts. This is a response to our national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by judicial interpretation of Article 21. The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource. Following are the objectives of the National Environmental Policy:

- Conservation of Critical Environmental Resources
- Intra-generational Equity: Livelihood Security for the Poor
- Inter-generational Equity
- Integration of Environmental Concerns in Economic and Social Development
- Efficiency in Environmental Resource Use
- Environmental Governance
- Enhancement of resources for Environmental Conservation

## **INTELLECTUAL PROPERTY LEGISLATIONS**

In general, the Intellectual Property Rights includes but is not limited to the following enactments:

- The Patents Act, 1970
- Indian Copyright Act, 1957
- The Trade Marks Act, 1999
- Design Act, 2000

### **Indian Patents Act, 1970**

A patent is an intellectual property right relating to inventions and is the grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling, importing the patented product or process producing that product. The term invention means a new product or process involving an inventive step capable of industrial application.

### **The Copyright Act, 1957**

Copyright is a right given by the law to creators of literary, dramatic, musical and artistic works and producers of cinematograph films and sound recordings. In fact, it is a bundle of rights including, inter alia, rights of reproduction, communication to the public, adaptation and translation of the work. There could be slight variations in the composition of the rights depending on the work.

### **Trade Marks Act, 1999**

The Trade Marks Act, 1999 provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The TM Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.

### **Designs Act, 2000**

The Design Act, 2000 came into force in May 2001 to consolidate and amend the law relating to protection of designs. A design refers to the features of shape, configuration, pattern, ornamentation or composition of lines or colours applied to any article, in two or three dimensional or both forms. In order to register a design, it must be new and original and must not be disclosed to the public anywhere in India or any other country by publication in

tangible form or in any other way prior to the filing date. A design should be significantly distinguishable from known designs or combination of known designs in order for it to be registerable. A registered design is valid for a period of 10 years after which can be renewed for a second period of 5 years, before the expiration of the original period of 10 years. After such period the design is made available to the public by placing it in the public domain.

## **GENERAL LAWS**

- Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Indian Contract Act 1872, Specific Relief Act 1963, Negotiable Instrument Act 1881, The Information Technology Act, 2000, Sale of Goods Act 1930 and Consumer Protection Act 1986 are also applicable to the company.

## **OTHER LAWS**

### **Foreign Trade (Development and Regulation) Act, 1992**

The Development and Regulation of foreign trade by facilitating imports and exports from and to India. The Import-Export Code number and licence to import or export includes a customs clearance permit and any other permission issued or granted under this act. The Export and Import policy, provision for development and regulation of foreign trade shall be made by the Central Government by publishing an order. The Central Government may also appoint Director General of Foreign Trade (“DGFT”) for the purpose of Export-Import Policy formulation.

If any person makes any contravention to any law or commits economic offence or imports/exports in a manner prejudicial to the trade relations of India or to the interest of other person engaged in imports or exports then there shall be no Import Export Code number granted by Director-General to such person and if in case granted shall stand cancelled or suspended. Provision of search and seizure of Code of Criminal Procedure, 1973 shall apply to every search and seizure made under this Act. In case of appeals in a case the order made by the appellate authority shall be considered to be final. The powers of the civil court under Code of Civil Procedure, 1908 shall vest in him.

The EXIM Policy is a set of guidelines and instructions established by the DGFT in matters related to the export and import of goods in India. This policy is regulated under the said act. DGFT is the main governing body in matters related to the EXIM Policy. The Act shall provide development and regulation of foreign trade by facilitating imports into, and augmenting exports from India. Trade Policy is prepared and announced by the Central Government (Ministry of Commerce).

### **Foreign Exchange Management Act, 1999**

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. FEMA aims at amending the law relating to foreign exchange with facilitation of external trade and payments for promoting orderly developments and maintenance of foreign exchange market in India. It applies to all branches, offices and agencies outside India owned or controlled by a person resident in India and also to any contravention there under committed outside India by any person to whom this Act applies. Every exporter of goods is required to a) furnish to the Reserve Bank or to such other authority a declaration in such form and in such manner as may be specified, containing true and correct material particulars, including the amount representing the full export value or, if the full export value of the goods is not ascertainable at the time of export, the value which the exporter, having regard to the prevailing market conditions, expects to receive on the sale of the goods in a market outside India; b) furnish to the Reserve Bank such other information as may be required by the Reserve Bank for the purpose of ensuring the realization of the export proceeds by such exporter. The Reserve Bank may, for the purpose of ensuring that the full export value of the goods or such reduced value of the goods as the Reserve Bank determines, having regard to the prevailing market conditions, is received without any delay, direct any exporter to comply with such requirements as it deems fit. Every exporter of services shall furnish to the Reserve Bank or to such other authorities a declaration in such form and in such manner as may be specified, containing the true and correct material particulars in relation to payment for such services.

## **FEMA Regulations**

As laid down by the FEMA Regulations, no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the automatic route within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 ("FEMA Regulations") to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce & Industry, Government of India

### **The Foreign Direct Investment**

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 with effect 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 Directions Foreign Investment in India and updates at the same from time to time. Presently, FDI in India is being governed by Master Directions on Foreign Investment No. RBI/FED/2017-18/60 FED Master Direction No. 11/2017-18 dated January 4, 2018, as updated from time to time by RBI. In terms of the Master Directions, 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 Directions. 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 the 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, our company is in the business of manufacturing, assembly and trade in all kind of Consumer Electronics industry, such as Feature Mobile Phone / Cellular Phones, its Batteries and accessories etc. These activities are covered under the head of "Manufacturing" (Article 5.2.5) of the FDI Policy 2017 which permits 100% of foreign direct investment through automatic route. Therefore, applicable foreign investment up to 100% is permitted in our company under the automatic route.



## OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

### BRIEF HISTORY OF OUR COMPANY

Our Company was originally incorporated as “Delhi Fone N Batteries Private Limited” at Delhi, as a Private Limited Company under the provision of Companies Act, 1956 vide Certificate of Incorporation dated July 17, 2008 bearing Corporate Identification Number U51506DL2008PTC181023, issued by Assistant Registrar of Companies, National Capital Territory of Delhi and Haryana. Subsequently, with a view of having a shorter name in order to boost exports in the International markets, the name of our Company, pursuant to a special resolution passed by the shareholders of our Company at the Extra-Ordinary General Meeting held on October 11, 2012, was changed to “Suich India Private Limited” and a Fresh Certificate of Incorporation consequent upon change of name dated October 15, 2012 was issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. Further, in order to increase the range of activities and to carry out business on a large scale it was decided to change the name and pursuant to a special resolution passed by the shareholders of our Company at the Extra-Ordinary General Meeting held on December 06, 2012, the name of our Company was changed to “Suich Industries Private Limited.” A Fresh Certificate of Incorporation consequent upon change of name dated December 12, 2012 was issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. Thereafter, the shareholders of our Company have vide special resolution passed at the extra-ordinary general meeting held on February 06, 2018, approved the conversion of our Company from private limited company to a public limited company. A fresh Certificate of Incorporation consequent upon conversion from private company to public company dated February 21, 2018 was issued by the Registrar of Companies, Delhi and the name of our Company was changed to “Suich Industries Limited”. The Corporate Identification Number (CIN) of our Company is U51506DL2008PLC181023.

Sanchit Allagh and Gunnit Singh Allagh are the Promoters of Our Company.

Sanchit Allagh and Gunnit Singh Allagh were the initial subscribers to the Memorandum of Association of our Company. For further information, please refer to the chapter titled “*Capital Structure*” beginning on Page 59 of this Red Herring Prospectus.

### CHANGES IN THE REGISTERED OFFICE OF OUR COMPANY

At present, the Registered Office of our Company is situated at Plot No - 68, 3<sup>rd</sup> Floor, Block No. 5, W.E.A, Naiwala, Karol Bagh, New Delhi, India.

The details of the changes in the Registered Office of our Company are set forth below:

From	To	Effective Date	Reasons
A-1/13, Prashant Vihar, Outer Ring Road, Rohini, New Delhi - 110085, Delhi, India	A-1/13, 2 <sup>nd</sup> Floor, Prashant Vihar, Outer Ring Road, Rohini, New Delhi - 110085, Delhi, India	April 13, 2010	Correction in ROC record
A-1/13, 2 <sup>nd</sup> Floor, Prashant Vihar, Outer Ring Road, Rohini, New Delhi - 110085, Delhi, India	Plot No - 68, 3 <sup>rd</sup> Floor, Block No. 5, W.E.A, Naiwala, Karol Bagh, New Delhi-110005, India.	February 15, 2012	Administrative convenience

### KEY EVENTS AND MILESTONES IN THE HISTORY OF OUR COMPANY

Year	Events
2008	Incorporation of our Company under the name and style of Delhi Fone N Batteries Private Limited.
2018	Conversion of Company from Private Limited Company to Public Limited Company

### MAIN OBJECTS OF OUR COMPANY

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

To carry on the business of manufacturer, assemblers, purchasers, seller, retailer, wholesalers, exporters, importers, commission agent, distributors or otherwise deal in all kind of Mobile/Cellular Phones, its Batteries and accessories, Power Bank, Mobile Charger, Telephone apparatus. Transmission equipment's, Telecom Equipment's, Mobile Communication System, Paging System, Cordless Telephone, Electronic push button telephones, Features phones, Key telephone system and all other its spare parts, accessories, components and ancillaries, LED TV and Electronic Home Appliances, Consumer durables, Electrical Appliances, Electronic Appliances, and all other electrical products.

## AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY IN THE LAST TEN YEARS

The following changes have been made to our Memorandum of Association, in the last ten years from the date of filing of this Red Herring Prospectus:

DATE OF AGM / EGM	AMENDMENTS
December 28, 2009	The authorized share capital of our Company was increased from Rs. 5,00,000 consisting of 50,000 Equity Shares of Rs. 10/- each to Rs. 25,00,000 consisting of 2,50,000 Equity Shares of Rs. 10/- each.
October 09, 2010	The authorized share capital of our Company was increased from Rs. 25,00,000 consisting of 2,50,000 Equity Shares of Rs. 10/- each to Rs. 2,00,00,000 consisting of 20,00,000 Equity Share of Rs. 10/- each.
January 30, 2012	The authorized share capital of our Company was increased from Rs. 2,00,00,000 consisting of 20,00,000 Equity Shares of Rs. 10/- each to Rs. 5,00,00,000 consisting of 50,00,000 Equity Share of Rs. 10/- each.
October 11, 2012	The name of our Company was changed from Delhi Fone N Batteries Private Limited to Suich India Private Limited.
December 06, 2012	The name of our Company was changed from Suich India Private Limited to Suich Industries Private Limited
December 20, 2012	The authorized share capital of our Company was increased from Rs. 5,00,00,000 consisting of 50,00,000 Equity Shares of Rs. 10/- each to Rs. 7,50,00,000 consisting of 75,00,000 Equity Share of Rs. 10/- each.
May 31, 2014	The authorized share capital of our Company was increased from Rs. 7,50,00,000 consisting of 75,00,000 Equity Shares of Rs. 10/- each to Rs. 10,00,00,000 consisting of 1,00,00,000 Equity Share of Rs. 10/- each.
February 03, 2015	The authorized share capital of our Company was increased from Rs. 10,00,00,000 consisting of 1,00,00,000 Equity Shares of Rs. 10/- each to Rs. 12,00,00,000 consisting of 1,20,00,000 Equity Share of Rs. 10/- each.
February 06, 2018	The authorized share capital of our Company was increased from Rs. 12,00,00,000 consisting of 1,20,00,000 Equity Shares of Rs. 10/- each to Rs. 16,50,00,000 consisting of 1,65,00,000 Equity Share of Rs. 10/- each.
February 06, 2018	The name of our company was changed pursuant to conversion of the Company from Private Limited Company to Public Limited Company.
May 23, 2018	The authorized share capital of our Company was increased from Rs. 16,50,00,000 consisting of 1,65,00,000 Equity Shares of Rs. 10/- each to Rs. 20,00,00,000 consisting of 2,00,00,000 Equity Share of Rs. 10/- each.

## HOLDING COMPANY OF OUR COMPANY

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

## SUBSIDIARY COMPANY OF OUR COMPANY

As on date of this Red Herring Prospectus, Blue Wave Trading H.K. Limited is a wholly owned subsidiary Company of our Company, details of which are given below:

### 1. Blue Wave Trading H.K. Limited (“Blue Wave”)

#### Corporate Information

Blue Wave Trading H.K. Limited was incorporated on December 17, 2015 under the Companies Ordinance (Chapter 622 of the laws of Hong Kong) vide Certificate No. 2320976.

The Registered office of Blue Wave is situated at 1121, 11 FL Beverly Commercial Building, 87-105 Chatham Road, South Tsim Sha, Tsui Kowloon Hong Kong

#### Nature of Business

The nature of Business is to carry on the business of assemblers, purchaser, sellers, retailer, Wholesalers, exporters, importers, commission, agent, distributors or otherwise deal in all kind of cellular Phones, Telephone apparatus, Transmission equipment, telecom Equipment, Mobile Communication Systems, Paging System and all other its spare parts, accessories, components and ancillaries.

#### Capital Structure

The issued, subscribed and paid up capital of Blue Wave as on December 31, 2018 is HKD 3,87,600 divided into 3,87,600 shares of HKD 1.00 each.

#### **Shareholding of the Issuer**

As on date of this Red Herring Prospectus, our company is holding 387,600 equity shares aggregating to 100 % of the equity paid-up share capital of the Blue Wave Trading H.K. Limited.

#### **The Board of Directors of Blue Wave as on the date of this Red Herring Prospectus are as follows -**

1. Gunit Singh Allagh
2. Sanchit Singh

There are no accumulated profits or losses of Blue Wave Trading H.K. Limited not accounted for by our Company for the Financial Year 2018-2019.

#### **JOINT VENTURES OF OUR COMPANY**

Our Company has not entered into any Joint Venture as on the date of this Red Herring Prospectus.

#### **REVALUATION OF ASSETS**

There has been no revaluation of assets of our company in last 10 years from the date of this Red Herring Prospectus.

#### **MERGERS AND ACQUISITIONS IN LAST 10 YEARS**

Our Company has not merged / amalgamated itself nor has acquired any business / undertaking, in the last ten years from the date of this Red Herring Prospectus.

#### **DIVESTMENT OF BUSINESS / UNDERTAKING BY COMPANY**

Our company has not divested any of its business / undertaking in last 10 years from the date of this Red Herring Prospectus.

#### **SHAREHOLDER'S AGREEMENTS**

Our Company has not entered into any shareholder's agreement as on date of filing of this Red Herring Prospectus.

#### **OTHER MATERIAL AGREEMENTS**

There are no material agreements or contracts which have been entered into by our Company prior to the date of this Red Herring Prospectus which are not in the ordinary course of business.

#### **TIME AND COST OVERRUNS IN SETTING UP PROJECTS**

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

#### **STRATEGIC PARTNERS**

As on the date of filing of this Red Herring Prospectus, our Company does not have any strategic partner.

#### **FINANCIAL PARTNERS**

Apart from the various arrangements with bankers and financial institutions which our Company undertake in the ordinary course of business, our Company does not have any other financial partners as on the date of this Red Herring Prospectus.

#### **DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS / BANKS**

As on the date of this Red Herring Prospectus, there have been no defaults or rescheduling of borrowings with any financial institutions / banks.

## OUR MANAGEMENT

### BOARD OF DIRECTORS

Under Articles of Association of our Company we are required to have at least three Directors and not more than fifteen Directors, subject to the applicable provisions of the Companies Act. We currently have four Directors on our Board, including 2 Executive Directors, 2 Non-Executive Director and both are Independent Directors. Our Board also has 1 women Director.

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

Sr. No.	Name, Father's Name/Husband's Name, Age, Designation, Address, Occupation, Nationality, DIN and Term	Date of Appointment/ Reappointment as Director	Other Directorship
1.	<p>Mr. Gunnit Singh Allagh S/o Ranjit Allagh <b>Designation:</b> Chairman and Managing Director <b>Date of Birth:</b> September 11, 1982 <b>Age:</b> 36 Years <b>Address:</b> A-1/13, Prashant Vihar Outer Ring Road, Rohini New Delhi-110085 India <b>Occupation:</b> Business <b>Nationality:</b> Indian <b>DIN:</b> 02195678 <b>Term:</b> For a period of 5 years w.e.f. April 02, 2018 and liable to retire by rotation.</p>	<p><b>Appointed as Director on July 17, 2008 and designated as Chairman and Managing director on April 02, 2018</b></p>	<p><b>Other Directorships</b> Nil <b>Limited Liability Partnership</b> Nil</p>
2.	<p>Mr. Sanchit Allagh S/o Ranjit Allagh <b>Designation:</b> Whole Time Director <b>Date of Birth:</b> May 04, 1984 <b>Age:</b> 34 Years <b>Address:</b> A-1/13, Prashant Vihar Outer Ring Road, Rohini New Delhi-110085 India <b>Occupation:</b> Business <b>Nationality:</b> Indian <b>DIN:</b> 02195744 <b>Term:</b> For a period of 5 years w.e.f. April 02, 2018 and liable to retire by rotation.</p>	<p><b>Appointed as Director on July 17, 2008 and designated as Whole Time Director on April 02, 2018</b></p>	<p><b>Other Directorships</b> Nil <b>Limited Liability Partnership</b> Nil</p>

<b>Sr. No.</b>	<b>Name, Father's Name/Husband's Name, Age, Designation, Address, Occupation, Nationality, DIN and Term</b>	<b>Date of Appointment/ Reappointment as Director</b>	<b>Other Directorship</b>
3.	Mr. Dinesh Suri S/o Mohan Prakash Suri <b>Designation:</b> Independent Director <b>Date of Birth:</b> September 27, 1977 <b>Age:</b> 41 Years <b>Address:</b> 2/69, Gali No. 3 Near Jain Mandir, Roop Nagar, Malka Ganj, Delhi-110007, India <b>Occupation:</b> Business <b>Nationality:</b> Indian <b>DIN:</b> 01432499 <b>Term:</b> For a period of 5 years w.e.f. April 16, 2018	<b>Appointed as an Independent Director on</b> April 16, 2018	<b>Other Directorships</b> (a) Quick Telemall Marketing Private Limited (b) Quick Promoters Private Limited (c) Telemall Shopping Private Limited  <b>Limited Liability Partnership</b> (a) World Super Food Hospitality LLP
4.	Ms. Upneet Birinder Chahal D/o Tajinder Singh Rekhi <b>Designation:</b> Independent Director <b>Date of Birth:</b> January 01, 1984 <b>Age:</b> 34 Years <b>Address:</b> C-11 Rajouri Garden, Tagore Garden West, Delhi-110027, India <b>Occupation:</b> Profession <b>Nationality:</b> Indian <b>DIN:</b> 08111462 <b>Term:</b> For a period of 5 Years w.e.f. April 16, 2018	<b>Appointed as an Independent Director on</b> April 16, 2018	<b>Other Directorships</b> Nil  <b>Limited Liability Partnership</b> Nil

#### **BRIEF BIOGRAPHIES OF OUR DIRECTORS**

##### **Gunnit Singh Allagh, Promoter, Chairman and Managing Director**

Gunnit Singh Allagh, aged 36 years, is the Promoter, Chairman and Managing Director of our Company. He has been associated with company since incorporation and has been designated as Chairman and Managing Director w.e.f. April 02, 2018. He holds Bachelor's Degree of Arts from University of Delhi. He overlooks the working of the department heads of Finance and Marketing. He ensures timely approvals and formulation of financial strategies and budgets, along with its review. He is also responsible for effective and efficient use of marketing strategies for achieving the target sales.

##### **Sanchit Allagh, Promoter and Whole Time Director**

Sanchit Allagh, aged 34 years is the Promoter and Whole Time Director of our Company. He has been associated with company since incorporation and has been designated as Whole Time Director w.e.f. April 02, 2018. He holds Bachelor's Degree of Commerce from University of Delhi. He has an experience of about more than 10 years in this industry in the business of consumable electronic products. He has been instrumental in providing innovative, technologically advanced, high quality and durable products to the growing base of Indian consumers.

##### **Dinesh Suri, Independent Director**

Dinesh Suri, aged 41 years is the Independent Director of our Company. He has been associated with company since April 16, 2018 and has been appointed for the period of five years.

##### **Upneet Birinder Chahal, Independent Director**

Upneet Birinder Chahal, aged 34 years is Independent Director of our company. She has been associated with our Company since April 16, 2018 and has been appointed for the period of five years. She holds degree in Master of Arts in Psychology from Punjab University.

#### **CONFIRMATIONS:**

As on the date of this Red Herring Prospectus:

1. Except as mentioned below, none of the other Directors of our Company are related to each other within the meaning of section 2(77) of the Companies Act, 2013:

Name of First Person	Name of the Other Person	Relationship
Gunnit Singh Allagh	Sanchit Allagh	Brother

2. There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Management Personnel were selected as a Director or member of the senior management.
3. The Directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
4. None of our Directors are declared Fugitive Economics Offenders under Section 12 of the Fugitive Economics Offenders Act, 2018.
5. Further, none of our Directors are or were directors of any company whose shares have been / were:
  - a) Suspended from trading by any of the stock exchange(s) during his/her tenure in that company in the last five years; or
  - b) Delisted from the stock exchange(s) during the term of their directorship in such companies.
6. None of the Promoters or Directors has been or is involved as a promoter, director 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.

#### **BORROWING POWERS OF THE BOARD**

Pursuant to a special resolution passed at an Extra-Ordinary General Meeting of our Company held on June 15, 2017 and pursuant to Section 180(1)(c) and any other applicable provisions, of the Companies Act, 2013 and the rules made there-under, consent of Members be and is hereby accorded to borrow from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), may exceed the aggregate of the paid up capital of the company and free reserve, that is to say, reserves not set apart for any specific purposes, provided that the total outstanding amount so borrowed, shall not at any time exceed the limit of Rs. 50,000.00 lakhs.

#### **REMUNERATION/COMPENSATION/COMMISSION PAID TO DIRECTORS**

During the last financial year ended on March 31, 2018, the following directors have been paid gross remuneration as follows:

Name of Director	Amount (Rs. In Lakhs)
Gunnit Singh Allagh	24.00
Sunchit Allagh	24.00

#### **Compensation of Managing Director and Whole Time Directors**

Our Company has entered into any service agreement dated April 02, 2018 with our Managing Director and Whole Time Director setting out the terms and conditions relating to remuneration and appointment of Managing Director and Whole Time Director. In addition, the terms and conditions relating to remuneration and appointment of Gunnit Singh Allagh, Managing Director and of Sanchit Allagh, Whole Time Director, are set out in the explanatory statement annexed to the notice of the Extra Ordinary General Meeting dated April 2, 2018, which was approved by the Board of Directors in their meeting dated March 7, 2018.

**The details of remuneration of our Managing Director and Whole Time Director are as follows:**

##### **1. Gunnit Singh Allagh**

Gunnit Singh Allagh, Chairman & Managing Director of our Company and has been appointed for a period of 5 years with effect from April 02, 2018 and is liable to retire by rotation. He is entitled for remuneration as per the terms and conditions mentioned in the agreement dated April 02, 2018.

Remuneration to be paid to our Managing Director as set forth below:

<b>Remuneration</b>	Not exceeding Rs. 3,00,000/- (Rupees Three Lakhs rupees only) per month
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<b>Perquisites &amp; Allowances</b>	<ul style="list-style-type: none"> <li>➤ The Company to provide rent free partially furnished, air-conditioned, residential accommodation with telephone, gas and electricity, the monetary value which may be evaluated as per Income Tax Rules</li> <li>➤ Medical aid benefits for self and family as applicable to the Officers of the Company as per company policy.</li> <li>➤ Free use of the Company's car and fuel expenses for use on the Company's business as well as for own use. If car is leased from an external agency, lease rental and fuel expenses will be paid as per rules of the Company.</li> <li>➤ Reimbursement of salary of driver as per rules of the Company.</li> <li>➤ The Company to pay the premium for the Personal Accident Insurance Policy as per the policy of the Company.</li> <li>➤ The Company to pay fees for one Club (including admission or entrance fees and monthly or annual subscriptions).</li> <li>➤ Reimbursement of actual travelling and entertainment expenses incurred on behalf of the Company, subject to such ceiling on entertainment expenses as may be imposed by the Board of Directors from time to time.</li> <li>➤ Telephone expenses: Reimbursement of expenses on mobile phone and landline phone at residence as per rules of the Company.</li> <li>➤ Provident Fund - The Company shall contribute towards Provident Fund/ Superannuation Fund/ Annuity Fund provided that such contributions either singly or put together shall not exceed the tax free limit prescribed under the Income-tax Act.</li> <li>➤ Gratuity- Gratuity and/or contribution to the Gratuity Fund of Company shall be as per the policy of the Company.</li> </ul>
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## 2. Sanchit Allagh

Sanchit Allagh, Whole Time Director of our Company and has been appointed for a period of 5 years with effect from April 02, 2018 and is liable to retire by rotation. He will be paid remuneration as per the terms and conditions mentioned in agreement dated April 2, 2018 passed by Board of Director of our Company. Followings are the terms and condition of appointment of Whole Time Director of our company:

<b>Remuneration</b>	Not exceeding Rs.3,00,000/- (Rupees Three Lakhs Rupees only) per month with liberty to Board of committee thereof to vary and alter the terms and condition of remuneration as per profitability if the company.
<b>Perquisites &amp; Allowances</b>	<ul style="list-style-type: none"> <li>➤ The Company to provide rent free partially furnished, air-conditioned, residential accommodation with telephone, gas and electricity, the monetary value of which may be evaluated as per Income Tax Rules.</li> <li>➤ Medical aid benefits for self and family as applicable to the Officers of the Company as per company policy.</li> <li>➤ Free use of the Company's car and fuel expenses for use on the Company's business as well as for own use. If car is leased from an external agency, lease rental and fuel expenses will be paid as per rules of the Company.</li> <li>➤ Reimbursement of salary of driver as per rules of the Company.</li> <li>➤ The Company to pay the premium for the Personal Accident Insurance Policy as per the policy of the Company.</li> <li>➤ The Company to pay fees for one Club (including admission or entrance fees and monthly or annual subscriptions).</li> <li>➤ Reimbursement of actual travelling and entertainment expenses incurred on behalf of the Company, subject to such ceiling on entertainment expenses as may be imposed by the Board of Directors from time to time.</li> </ul>

	<ul style="list-style-type: none"> <li>➤ Telephone expenses: Reimbursement of expenses on mobile phone and landline phone at residence as per rules of the Company.</li> <li>➤ Provident Fund - The Company shall contribute towards Provident Fund/ Superannuation Fund/ Annuity Fund provided that such contributions either singly or put together shall not exceed the tax free limit prescribed under the Income-tax Act.</li> <li>➤ Gratuity- Gratuity and/or contribution to the Gratuity Fund of Company shall be as per the policy of the Company.</li> </ul>
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The above said remuneration and perquisites are subject to the ceiling laid down in Section 197 and Schedule V of the Companies Act, 2013 and all other applicable provisions, if any, as may be amended from time to time. In case of payment of remuneration in excess of the prescribed limits, recovery of the excess amount may be waived by the Board of Directors upon the recommendation of the Nomination and Remuneration Committee and subject to the compliance of the applicable provisions, if any.

#### **Terms and conditions of employment of our Independent Directors and Non-executive Directors**

None of our Non-Executive Directors were appointed in Fiscal 2018, hence there was no requirement to pay the remuneration.

Independent Directors and Non-Executive Directors of our Company may be paid sitting fees, commission and any other amounts as may be decided by our Board in accordance with the provisions of the Articles of Association, the Companies Act, 2013 and their appointment letters and other applicable laws and regulations.

#### **SHAREHOLDING OF OUR DIRECTORS IN THE COMPANY:**

As per the Articles of Association of our Company, a Director is not required to hold any qualification shares. The following table details the shareholding of our Directors as on the date of this Red Herring Prospectus:

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>No. of Equity Shares</b>	<b>% of Pre Issue Equity Share Capital</b>	<b>% of Post Issue Equity Share Capital</b>
1.	Gunnit Singh Allagh	55,09,900	49.51	36.14
2.	Sanchit Allagh	47,30,000	42.50	31.03
	<b>Total</b>	<b>1,02,39,900</b>	<b>92.01</b>	<b>67.17</b>

#### **INTERESTS OF DIRECTORS:**

##### **Interest in promotion of our Company**

Our Directors Gunnit Singh Allagh and Sanchit Allagh, may be deemed to be interested in the promotion of the Company to the extent of the Equity Shares held by them and also to the extent of any dividend payable to them on their holding of such shares and other distributions in respect of the aforesaid Equity Shares. For further details, refer to chapter titled “*Our Promoter and Promoter Group*” beginning on page 141 of this Red Herring Prospectus.

##### **Interest in the property of our Company**

Except as stated to in the heading titled “Immovable Properties” under the chapter titled “Our Business” beginning on page 101 and chapter titled “Related Party Transaction” on page 147 of the Red Herring Prospectus, our Directors have not entered into any contract, agreement or arrangements in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them. Further our Directors do not have any interest in any immovable property acquired or proposed to be acquired of the Company or by the Company except otherwise disclosed in the heading titled “Immovable Properties” under the chapter titled “Our Business” beginning on page 101 of the Red Herring Prospectus.

##### **Interest by way of Remuneration from the Company**

Our Directors may be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Company and reimbursement of expenses payable to them. For details, see “Remuneration/Compensation of Directors” above. Further, our Independent Directors are entitled to receive sitting fees for attending meetings of our Board within the limits laid down in the Companies Act, 2013 and as decided by our Board subject to Articles of Association of our Company. Further, except as disclosed above, none



of our Directors hold any Equity Shares in our Company. Our Directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Offer. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said equity shares, if any. Except as stated in the chapters “Our Management” and “Related Party Transactions” beginning on pages 128 and 147 respectively of this Red Herring Prospectus and described herein above, our Directors do not have any other interest in the business of our Company

#### **Interest as member of our Company**

As on date of this Red Herring Prospectus, our Directors except Gunnit Singh Allagh and Sanchit Allagh holds 55,09,900 and 47,30,000 Equity Shares respectively in our Company i.e. 92.01% of the pre Issue paid up Equity Share capital of our Company. Therefore, our Directors are interested to the extent of their respective shareholding and the dividend declared, if any, on such holding of Equity Shares by our Company.

#### **Interest as a Creditor of our Company**

As on the date of this Red Herring Prospectus, our Company has not availed loans from the Directors of our Company. For further details, refer to chapter titled “Financial Indebtedness” and heading titled “Related Party Transactions” under chapter titled “Financial Statements as Restated” beginning on page 147 and 149 respectively of this Red Herring Prospectus

#### **Other Indirect Interest**

Except as stated in chapter titled “Financial Statements as Restated” beginning on page 149 of this Red Herring Prospectus, none of our sundry debtors or beneficiaries of loans and advances are related to our Directors.

#### **Interest in the Business of Our Company**

Except as stated in “Related Party Transactions” in the chapter titled “Financial Statements as Restated” beginning on page 149 of this Red Herring Prospectus, our Directors do not have any other interests in our Company as on the date of this Red Herring Prospectus.

#### **SHAREHOLDING OF DIRECTORS IN SUBSIDIARIES AND ASSOCIATE COMPANIES:**

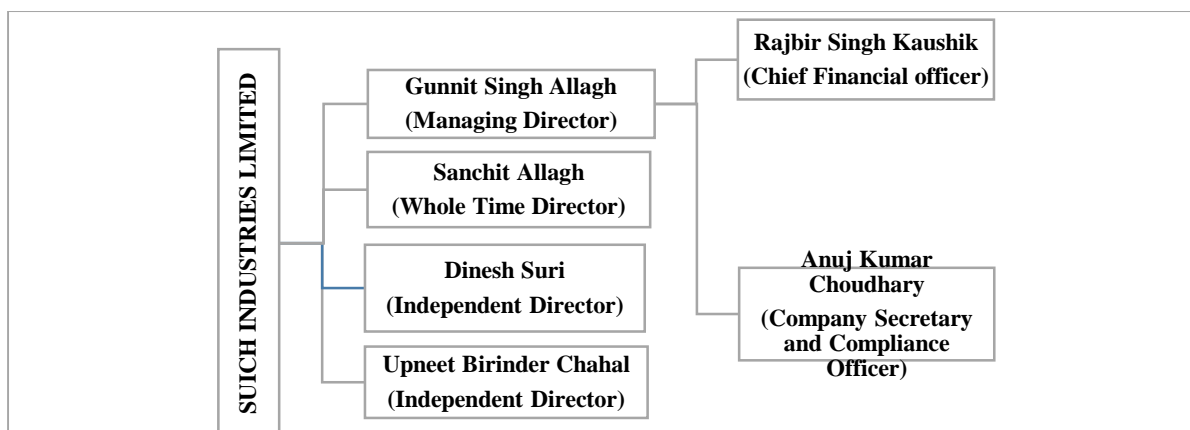
Except as disclosed under the chapter titled “History and Certain Other Corporate Matters” on page 125 our directors do not hold any shares in our wholly owned Subsidiary namely, Blue Wave Trading H.K. Limited as on date of filing this Red Herring Prospectus.

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

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

<b>NAME</b>	<b>DATE OF EVENT</b>	<b>NATURE OF EVENT</b>	<b>REASON</b>
Tinky Allagh	January 24, 2018	Appointment	Appointed as Additional Director
Tinky Allagh	February 06, 2018	Regularization	Regularized as Executive Director
Gunnit Singh Allagh	April 02, 2018	Change in designation	Designated as Managing Director
Sanchit Allagh	April 02, 2018	Change in designation	Designated as Whole Time Director
Dinesh Suri	April 16, 2018	Appointment	Appointed as Independent Director
Upneet Birinder Chahal	April 16, 2018	Appointment	Appointed as Independent Director
Tinky Allagh	April 23, 2018	Resignation	Pre-Occupation

#### **KEY ORGANIZATIONAL STRUCTURE:**



## CORPORATE GOVERNANCE:

In addition to the applicable provisions of the Companies Act, 2013 with respect to corporate governance, provisions of the SEBI (Listing Regulations and Disclosure Requirements) 2015 will also be complied with the extent applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchange.

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

The Board functions either as a full Board or through various committees constituted to oversee specific operational areas.

Currently our Board has four directors out of which two are Independent Directors. The constitution of our Board is in compliance with section 149 of the Companies Act, 2013.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the Listing Regulations, the Listing Agreement and the Companies Act, 2013, to the extent applicable.

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

- Audit Committee
- Stakeholders Relationship Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee.

#### A) Audit Committee

Our Company has constituted an audit committee ("Audit Committee"), as per section 177 of the Companies Act 2013 vide resolution passed in the meeting of the Board of Directors dated April 23, 2018. The constituted Audit Committee comprises following members:

Name of the Director	Status	Nature of Directorship
Dinesh Suri	Chairman	Independent Director
Upneet Birinder Chahal	Member	Independent director
Gunnit Singh Allagh	Member	Managing Director

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

#### A. The Audit Committee shall have following powers/responsibilities:

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

#### B. The Audit Committee shall mandatorily review the following information:

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

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the Audit committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

**C. The role of the Audit Committee not limited to but includes:**

1. Overseeing the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
3. Approving payment to statutory auditors for any other services rendered by the statutory auditors;
4. Approving initial or any subsequent modification of transactions of the Company with related parties;
5. Scrutinizing inter-corporate loans and investments;
6. Valuation of undertakings or assets of the Company, wherever it is necessary;
7. Evaluation of internal financial controls and risk management systems;
8. Monitoring the end use of funds raised through public offers and related matters;
9. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 134 of the Companies Act, 2013;
  - b) Changes, if any, in accounting policies and practices along with reasons for the same;
  - c) Major accounting entries involving estimates based on the exercise of judgment by management;
  - d) Significant adjustments made in the financial statements arising out of audit findings;
  - e) Compliance with listing and other legal requirements relating to financial statements;
  - f) Disclosure of any related party transactions; and
  - g) Qualifications in the draft audit report.
10. Reviewing, with the management, the half yearly financial statements before submission to the board for approval;
11. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
12. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussing with the internal auditors any significant findings and follow up there on;

15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussing with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. Reviewing the functioning of the Whistle Blower mechanism, in case the same is existing;
19. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
20. Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate; and
21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee or contained in the equity listing agreements as and when amended from time to time.

Explanation (i): The term "related party transactions" shall have the same meaning as contained in the Accounting Standard 18, Related Party Transactions, issued by The Institute of Chartered Accountants of India.

#### **D. Meeting of Audit Committee and relevant Quorum**

The committee shall meet at least four times in a year and not more than four months shall elapse between any two meetings. The quorum for the meeting shall be presence of any two members of the committee, but there shall be presence of minimum two Independent members at each meeting. Meeting of the Audit Committee shall be called by at least seven days' notice in advance.

#### **E. Tenure**

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

#### **B) Stakeholder's Relationship Committee**

Our Company has constituted a shareholder / investors grievance committee ("*Stakeholders' Relationship Committee*") to redress complaints of the shareholders. The Stakeholders Relationship Committee was constituted vide resolution passed at the meeting of the Board of Directors held on April 23, 2018.

The Stakeholder's Relationship Committee comprises the following Directors:

<b>Name of the Director</b>	<b>Status</b>	<b>Nature of Directorship</b>
Upneet Birinder Chahal	Chairperson	Independent Director
Dinesh Suri	Member	Independent director
Gunnit Singh Allagh	Member	Managing Director

The Company Secretary of our Company shall act as a Secretary to the Stakeholder's Relationship Committee.

The scope and function of the Stakeholder's Relationship Committee and its terms of reference shall include the following:

- A. Tenure:** The Stakeholder/ Investor Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholder / Investor Relationship Committee as approved by the Board.
- B. Meetings:** The Stakeholder/ Investor Relationship Committee shall meet at least at least four times a year with maximum interval of four months between two meetings and shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. The quorum for the meeting shall be the presence of any two of the members.
- C. Terms of Reference:** Redressal of shareholders' and investors' complaints, including and in respect of:

Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;

Redressal of security holders'/investor's complaints;

Reviewing on a periodic basis the approval/refusal of transfer or transmission of shares, debentures or any other securities;

Issue of duplicate certificates and new certificates on split/consolidation/renewal;

Allotment and listing of shares;

Reference to statutory and regulatory authorities regarding investor grievances; and

To otherwise ensure proper and timely attendance and redressal of investor queries and grievances; and

Any other power specifically assigned by the Board of Directors of the Company

### C) Nomination and Remuneration Committee

Our Company has constituted a Nomination and Remuneration Committee in accordance section 178 of Companies Act 2013. The constitution of the Nomination and Remuneration Committee was approved by a Meeting of the Board of Directors held on April 23, 2018. The said committee is comprised as under:

The Nomination and Remuneration Committee comprises the following Directors:

Name of the Director	Status	Nature of Directorship
Dinesh Suri	Chairman	Independent Director
Upneet Birinder Chahal	Member	Independent director
Gunnit Singh Allagh	Member	Managing Director

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

- A. Tenure:** The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.
- B. Meetings:** The committee shall meet as and when the need arise for review of Managerial Remuneration. The quorum of the meeting shall be presence of any two members. Meeting of the Nomination and Remuneration/Compensation Committee shall be called by at least seven days' notice in advance.
- C. Terms of Reference:**
- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the level and composition of remuneration of the directors, key managerial personnel and other employees;
  - Formulation of criteria for evaluation of independent directors and the Board;
  - To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
  - Devising a policy on Board diversity; and
  - Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

### D) Corporate Social Responsibility Committee -

Our Company has reconstituted a Corporate Social Responsibility Committee in accordance section 135 of Companies Act 2013. The constitution of the Corporate Social Responsibility Committee was approved by a Meeting of the Board of Directors held on September 24, 2018. The CSR committee is comprised as under:

The Corporate Social Responsibility Committee comprises the following Directors:

Name of the Director	Status	Nature of Directorship
Gunnit Singh Allagh	Chairman	Chairman & Managing Director
Sanchit Allagh	Member	Whole-time Director
Dinesh Suri	Member	Independent Director

- A. Tenure:** The Corporate Social Responsibility Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

## B. Terms of Reference:

- To formulate, revise and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;
  - To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;
  - To monitor the CSR policy of the Company from time to time;
  - Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.
- **Policy on Disclosures and Internal Procedure for Prevention of Insider Trading**  
The provisions of Regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on SME Platform of BSE Limited. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on stock exchanges.

**Anuj Kumar Choudhary**, Company Secretary & Compliance Officer, will be responsible for setting forth policies, procedures, monitoring and adhering to the rules for the prevention of dissemination of price sensitive information and the implementation of the code of conduct under the overall supervision of the Board.

### KEY MANAGERIAL PERSONNEL:

Set forth below are the details of our Key Management Personnel as prescribed under the Companies Act 2013, in addition to Mr. Gunnit Singh Allagh, our Chairman and Managing Director and Mr. Sanchit Allagh, Whole Time Director as on the date of filing of this Red Herring Prospectus. For details of Mr. Gunnit Singh Allagh and Mr. Sanchit Allagh, see “– Brief Profile of our Directors” on page 129 of this Red Herring Prospectus.

**The details of our Key Managerial Personnel are set out below:**

#### **Rajbir Singh Kaushik, Chief Financial Officer**

Rajbir Singh Kaushik, aged 33 years is the Chief Financial Officer of our Company. He has been appointed as Chief Financial Officer of our Company w.e.f. January 15, 2019. He has done his Bachelor of Commerce from Sikkim University. He is presently responsible for supervising and overlooking finance of our Company. He has been paid remuneration of Rs. 4.20 Lakhs in Fiscal 2018 as “Account Manager”.

#### **Anuj Kumar Choudhary, Company Secretary and Compliance Officer**

Anuj Kumar Choudhary aged 30 years, is the Company Secretary of our Company. He has been appointed as Company Secretary and Compliance Officer of our Company w.e.f. January 15, 2019. He holds done his LLB from T. M. Bhagalpur University. He is an associate member of Institute of Company Secretaries of India bearing Membership No. 55885. He looks after overall secretarial compliance of our Company.

### RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL (KMP):

None of the Key Managerial Personnel’s are related to each other within the meaning of Section 2 (77) of the Companies Act, 2013 except the following disclosure:

Name of First Person	Name of Other person	Relationship
Gunnit Singh Allagh	Sanchit Allagh	Brother

### RELATIONSHIPS OF DIRECTORS/ AND PROMOTERS WITH KEY MANAGERIAL PERSONNEL

Except as disclosed below, none of our Directors of the Company are related to the Key Managerial Personnel within the meaning of section 2(77) of the Companies Act, 2013:

Director	Key Managerial Personnel	Relationship
Gunnit Singh Allagh	Sanchit Allagh	Brother
Sanchit Allagh	Gunnit Singh Allagh	Brother

### ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS:

None of our Directors have been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others.

**SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL:**

Except as given below, none of the Key Managerial Personnel hold any Equity Shares of our Company as on the date of this Red Herring Prospectus.

Sr. No.	Name of the Director	No. of Equity Shares	% of Pre Issue Equity Capital	% of Post Issue Equity Share Capital
1	Gunnit Singh Allagh	55,09,900	49.51	36.14
2	Sanchi Allagh	47,30,000	42.50	31.03
	<b>Total</b>	<b>10,239,900</b>	<b>92.01</b>	<b>67.17</b>

**REMUNERATION/ COMPENSATION TO KEY MANAGERIAL PERSONNEL:**

Except as disclosed below, none of the Key Managerial Personnel received any Remuneration/Compensation during the period ended on March 31, 2018.

Name of the Key Managerial Personnel	Amounts (₹ in Lakhs)
Gunnit Singh Allagh	24.00
Sanchit Allagh	24.00
Rajbir Singh Kaushik	4.20

Since Company Secretary and Chief Financial Officer of the Company was appointed on January 15, 2019, therefore no remuneration was paid to them as on March 31, 2018.

**BONUS OR PROFIT SHARING PLAN OF THE DIRECTORS/ KEY MANAGERIAL PERSONNEL:**

Our Company has not entered into any Bonus or Profit Sharing Plan with any of the Directors, Key Managerial Personnel.

**CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL:**

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

**LOANS TO KEY MANAGERIAL PERSONNEL:**

The Company has not given any loans and advances to the Key Managerial Personnel as on the date of this Red Herring Prospectus.

**INTEREST OF KEY MANAGERIAL PERSONNEL:**

The Key Managerial Personnel of our Company have interest in our Company to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and to the extent of Equity Shares held by them in our Company, if any and dividends payable thereon, if any.

Except as disclosed in this Red Herring Prospectus, none of our key managerial personnel have been paid any consideration of any nature from our Company, other than their remuneration.

Except as stated in the heading titled “*Related Party Transactions*” under the Section titled “Financial Statements as Restated” beginning on page 149 of this Red Herring Prospectus and described herein above, our key managerial personnel do not have any other interest in the business of our Company.

**CHANGES IN KEY MANAGERIAL PERSONNEL IN THE LAST THREE YEARS**

The Changes in the Key Managerial Personnel in the last three years from the date this Red Herring Prospectus are as follows:

NAME	DATE OF EVENT	NATURE OF EVENT	REASON
Gunnit Singh Allagh	April 02, 2018	Change in designation	Designated as Chairman and Managing Director
Sanchit Allagh	April 02, 2018	Change in designation	Designated as Whole Time Director
Kapil Kaushik	April 02, 2018	Appointment	Appointed as Chief Financial Officer
Gunjan Goyal	April 02, 2018	Appointment	Appointed as Company Secretary and Compliance officer
Kapil Kaushik	September 21, 2018	Resignation	Resigned from the post of Chief Financial Officer

NAME	DATE OF EVENT	NATURE OF EVENT	REASON
Gunjan Goyal	October 1, 2018	Resignation	Resigned from the post of Company Secretary and Compliance officer
Rajbir Singh Kaushik	January 15, 2019	Appointment	Appointed as Chief Financial Officer
Anuj Kumar Choudhary	January 15, 2019	Appointment	Appointed as Company Secretary and Compliance Officer

Other than the above changes, there have been no changes to the KMP of our company that are not in the normal cause of employment.

**ESOP/ESPS SCHEME TO EMPLOYEES:**

Presently, we do not have any ESOP/ESPS Scheme for employees.

**PAYMENT OR BENEFIT TO OUR OFFICERS (NON SALARY RELATED):**

Except as disclosed in the heading titled “*Related Party Transactions*” in the section titled “*Financial Statements as Restated*” beginning on page 149 of this Red Herring Prospectus, no amount or benefit has been paid or given within the three preceding years or is intended to be paid or given to any of our officers except the normal remuneration for services rendered as officers or employees.




## OUR PROMOTER AND PROMOTER GROUP

### OUR PROMOTERS:

The Promoters of our Company are Gunnit Singh Allagh and Sanchit Allagh. As on date of filing this Red Herring Prospectus, our Promoters hold 1,02,39,900 Equity Shares representing 92.01% of the pre-issue Paid up Share Capital of our Company.

#### Brief profile of our Individual Promoters is as under:

	<p><b>Gunnit Singh Allagh, Promoter, Chairman &amp; Managing Director</b></p> <p>Gunnit Singh Allagh, aged 36 years is the Promoter, Chairman and Managing Director of our Company. He has been associated with our Company since incorporation. He holds Bachelor's Degree of Arts from University of Delhi. He overlooks the working of the department heads of Finance and Marketing. He ensures timely approvals and formulation of financial strategies and budgets, along with its review. He is also responsible for effective and efficient use of marketing strategies for achieving the target sales.</p> <p>Date of Birth : September 11, 1982</p> <p>Nationality: Indian</p> <p>PAN: AHDPA2068E</p> <p>Passport No: Z3661259</p> <p>Driving License No: P08032006476707</p> <p>Aadhaar Card No: 270706005080</p> <p>Address: S-51, Pansheel Park, Malviya Nagar, South Delhi, Delhi-110017</p> <p>For further details pertaining to other ventures involving Gunnit Singh Allagh and other directorships held by him, please see section titled 'Promoter Group' in this chapter and chapters titled "Our Management" and "Our Group Companies" beginning on pages 128 and 144 of this red Herring Prospectus.</p> <p>For further details, relating to Gunnit Singh Allagh, including terms of appointment as Managing Director and other directorships please refer to the chapter titled "<i>Our Management</i>" beginning on page 128 this Red Herring Prospectus.</p>
	<p><b>Sanchit Allagh, Promoter &amp; Whole Time Director</b></p> <p>Sanchit Allagh, aged 34 years is the Promoter, Whole Time Director of our Company. He has been associated with our Company since incorporation. He holds Bachelor's Degree of Commerce from University of Delhi. He has an experience of about more than 10 years in the industry in which we operate. He has been instrumental in providing innovative, technologically advanced, high quality and durable products to the growing base of Indian consumers.</p> <p>Date of Birth : May 04, 1984</p> <p>Nationality: Indian</p> <p>PAN: AGVPA0217G</p> <p>Passport No: J0026963</p> <p>Driving License No: P08062002300403</p> <p>Aadhaar Card No: 720137102776</p> <p>Address: C - 104, G/F Anand Niketan, Chanakya Puri New Delhi, Delhi-110021</p> <p>For further details pertaining to other ventures involving Sanchit Allagh and other directorships held by him, please see section titled 'Promoter Group'</p>

	<p>in this chapter and chapters titled “Our Management” and “Our Group Companies” beginning on pages 128 and 144 of this Red Herring Prospectus.</p> <p>For further details, relating to Sanchit Allagh, including terms of appointment as Whole Time Director and other directorships please refer to the chapter titled “<i>Our Management</i>” beginning on page 128 this Red Herring Prospectus.</p>
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### Declaration

Our Company confirms that the Permanent Account Number, Bank Account Number, Passport Number of the Individual Promoters has been submitted to the Stock Exchange at the time of filing of this Red Herring Prospectus.

### INTEREST OF PROMOTERS:

Our Promoters are interested in our Company to the extent that they have promoted our Company and to the extent of their shareholding and the dividend receivable, if any and other distributions in respect of the equity shares held by them. For details regarding shareholding of our Promoters in our Company, please refer “*Capital Structure*” on page 59 of this Red Herring Prospectus.

Our Promoters are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in cash or otherwise by any person for services rendered by our Promoters or by such firm or company in connection with the promotion or formation of our Company.

Gunnit Singh Allagh and Sanchit Allagh are also the Directors of our Company and may be deemed to be interested to the extent of remuneration and/ or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of the agreements entered into with our Company, if any and subject to Articles of Association of our Company. For details please refer to the chapter titled “*Our Management*”, “*Financial Statements*” and “*Capital Structure*” beginning on pages 128, 149 and 59 respectively of this Red Herring Prospectus.

Except as mentioned in the chapter titled “*Our Business*” under “*Land & Property*”, our Promoters do not have any other interest in any property acquired in a period of three years preceding the date of this Red Herring Prospectus or proposed to be acquired by our Company or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

For details of related party transactions entered into by our Company during last financial year with our Promoters and Group Companies, the nature of transactions and the cumulative value of transactions, see “*Related Party Transactions*” on page no 147 of this Red Herring Prospectus.

Further, our Promoters have given personal guarantees, respectively, towards financial facilities availed from Bankers of our Company; therefore, are interested to the extent of the said guarantees.

Further, none of our Promoters have given material guarantees to the third party with respect to the specified securities of the Company.

Except as stated otherwise in the chapter titled “*Related Party Transactions*” on page 147 of this Red Herring Prospectus, there have been no payments or benefits to the Promoters during the two years prior to filing of this Red Herring Prospectus.

### OUR PROMOTER GROUP:

Our Promoter Group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 is as under:

#### A. Natural Persons who are part of our Promoter Group:

Relationship with Promoters	Gunnit Singh Allagh	Sanchit Allagh
Father	-	-
Mother	Kulbir Kaur	Kulbir Kaur
Brother	Sanchit Allagh	Gunnit Singh Allagh
Sister	-	-
Spouse	Tinky Allagh	Maneet Allagh

Relationship with Promoters	Gunnit Singh Allagh	Sanchit Allagh
Son	Veer Allagh	Waaris Allagh
Daughter	Reha Allagh	-
Spouse's Father	Raj Kumar Baur	Harvinder Singh Kalra
Spouse's Mother	Jyotsna Baur	Deep Kaur Kalra
Spouse's Brother	Shiv Baur	Dakshpreet Singh Kalra
Spouse's Sister	Mukti Kapur	-

**B. Companies, firms, proprietorships and HUFs which form part of our Promoter Group are as follows:**

1. Delhi Mobile Mate Private Limited
2. Gunnit Singh Allagh HUF
3. Tune IT Technologies, (Proprietor Gunnit Singh HUF)
4. Daksh Enterprise

**RELATIONSHIP OF PROMOTERS WITH OUR DIRECTORS:**

Except as disclosed herein, none of our Promoters are related to any of our Company's Directors within the meaning of Section 2 (77) of the Companies Act, 2013.

Name of Promoter	Name of Director	Relationship
Gunnit Singh Allagh	Sanchit Allagh	Brother
Sanchit Allagh	Gunnit Singh Allagh	Brother

**DISSOCIATION BY THE PROMOTERS IN THE LAST THREE YEARS:**

Except as mentioned below, Our Promoters have not dissociated themselves from any companies or firm during the preceding three years:.

Name of the Promoter	Name of Company	Reason for Dissociation
Gunnit Singh Allagh	Shera Packaging Private Limited	Gunnit Singh Allagh dissociated due to personal reasons w.e.f October 03, 2017

**LITIGATION INVOLVING OUR PROMOTER:**

For details of legal and regulatory proceedings involving our Promoters, refer to the chapter titled "*Outstanding Litigation and Material Developments*" on page 169 of this Red Herring Prospectus.

**CONFIRMATIONS:**

Our Company, Promoters and Promoter Group members are not debarred from accessing or operating the capital market under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoters and members of the Promoter Group are not and have never been promoters, directors or person in control of any other company which is debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Neither our Company nor our Promoters are wilful defaulters and there are no violations of securities laws committed by our Promoters in past or pending against them.

None of our Promoters are Fugitive Economic Offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.

Except as disclosed in "*Related Party Transactions*" on page 147 of this Red Herring Prospectus, our Promoters are not related to any of the sundry debtors or are not beneficiaries of Loans and Advances given by/to our Company.

## OUR GROUP COMPANIES

*In accordance with the provisions of the SEBI (ICDR) Regulations, for the purpose of identification of “Group Companies”, our Company has considered companies as covered under the applicable accounting standards, i.e. Accounting Standard 18 issued by the Institute of Chartered Accountant of India and such other companies as considered material by our Board.*

For, avoidance of doubt and pursuant to the Regulation 2(1)(t) of SEBI ICDR Regulations, 2018, it is clarified that our Subsidiary shall not be considered as Group Company.

Based on the above, Delhi Mobile Mate Private Limited (DMMPL) is our Group Company.

### CONFIRMATIONS:

Unless otherwise specifically stated in this section, none of the Group Company(ies) (i) is listed on any stock exchange in India or abroad; (ii) have completed any public or right issue in the preceding three years; (iii) have become a sick company within the meaning of the erstwhile SICA; (iv) is under winding-up; (v) have become defunct; (vi) have made an application to the relevant Registrar of Companies in India in whose jurisdiction such Group Company is registered in the five years preceding the date of filing of this Red Herring Prospectus with SEBI, for striking off its name; (vii) have received any significant notes from auditors; (viii) have a negative net worth as on the date of their last audited financial statements, or (ix) have any pending litigation which has material impact on our Company.

### OUR GROUP COMPANIES:

The details of our Group Companies are provided below:

#### **Delhi Mobile Mate Private Limited (DMMPL)**

##### **Corporate Information:**

Delhi Mobile Mate Private Limited was originally incorporated under the provisions of Companies Act, 1956 on April 07, 2010. The registered office of the Company is situated M-3 & M-4, first floor 13/26, Western Extension Area, Karol Bagh, New Delhi – 110005, India. The current paid up capital of DMMPL is Rs.39.50 Lakhs. The Corporate Identification Number of DMMPL is U51909DL2010PTC201266.

##### **Nature and Extent of Interest of Promoters:**

None of our Promoter hold any shares in DMMPL.

##### **Board of Directors:**

Sr. No.	Name of the Director	DIN
1	Maneet Allagh	02967292
2	Tinky Allagh	02967519

##### **Main object:**

- The main objects of our company is to carry on business of manufacturer, assemblers, purchasers, sellers, retailers, wholesalers, exporters, Importers, commission agent, distributors or otherwise deal in all kind of Cellular Phones, Telephone apparatus, Transmission equipment's Telecom Equipment's, Mobile Communication Systems, Paging System and all other its spare parts, accessories, components and other ancillaries.*
- To carry on the business of running the work shop to repair or otherwise take care of all kinds of Cellular Phones, Transmission equipment's, Telecom equipment's, Mobile Communication Systems and Paging System.*
- To carry on the business of Imparting, conducting, sponsoring or otherwise participating in training of repairing Cellular Phones, Transmission equipment's, Telecom equipment's, Mobile Communication Systems, Paging System by using software or otherwise and to operate through various cellular service centers.*
- To render value added interactive Telecom, Internet and Messaging services and services for Information, Communications, Entertainment Technology, Data Compression Technology and Incubation for Internet, and to develop Software products and to provide Solutions/Consultancy for Internet,*

*Telecommunications, Cable, Computer Hardware, Computer Software, Mobile Telephones, Short Messaging Services (SMS), Multimedia Messaging Service (MMS), Voice Messaging and other Voice services, Wireless Technology to related Companies, Firms, Organizations and Institutions.*

5. *To carry on business in or outside India in the areas of operating network, providing value added services, basic services not only in the field of telecommunication but in related field providing services telecom facilities, such as Short Messaging Services (SMS), Multimedia Messaging Service (MMS), Voice Messaging and other Voice services, paging, cellular phone, data Communication, mobile communication, trunking Services/communication through wireless local loops, video conferencing, audio/video broadcasting either through cable networks or otherwise, trunking services etc., either by itself or association with Government/local bodies, private turnkey systems which might be required for providing such services.*

**Financial Performance:**

*(₹ in Lakhs unless otherwise stated)*

<b>Particulars</b>	<b>March 31, 2018</b>	<b>March 31, 2017</b>	<b>March 31, 2016</b>
Authorised Share Capital	105.00	105.00	105.00
Paid up Equity Capital	39.50	39.50	39.50
Reserves & Surplus (excluding revaluation reserve)	291.20	290.29	277.46
.Sales/ Income	5306.26	4017.96	3920.01
Profit After Tax	0.91	12.83	13.78
Earnings per share (Basic) (in ₹.)	0.23	3.25	3.49
Earnings per share (Diluted) (in ₹.)	0.23	3.25	3.49
Net Asset Value (in ₹)	83.72	83.49	80.24

**Significant Notes of Auditor:**

There are no significant notes of the auditors in relation to the aforementioned financial statements.

**LITIGATION AGAINST GROUP COMPANY**

For details on litigations, regulatory proceedings and disputes pending against the Group Companies and defaults made by them, please refer to the chapter titled, “*Outstanding Litigations and Material Developments*” on page 169 of this Red Herring Prospectus.

**DEFUNCT / STRUCK-OFF COMPANY**

Our Group Company have not remained defunct and no application has been made to the Registrar of Companies for striking off the name of the Group Company during the five years preceding the date of filing the Draft Red Herring Prospectus.

**INTEREST OF OUR PROMOTER AND GROUP COMPANIES**

**Interest in the promotion of our Company**

Our Group Company have no interest in the promotion of our Company.

**Interest in the properties acquired or proposed to be acquired by our Company in the past three years or proposed to be acquired**

Except as mentioned in the chapter titled “*Our Business*” under the heading Land & Property beginning on page 101 of this Red Herring Prospectus, none of our Group Companies have any interest in the properties acquired or proposed to be acquired by our Company in the three years preceding the filing of Draft Red Herring Prospectus.

**Interest in the transactions for acquisition of land, construction of building and supply of machinery.**

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

## COMMON PURSUITS

Except as otherwise disclosed in this Red Herring Prospectus, our Group Company do not have any interest in the promotion or formation of our Company.

Our Group Company viz. Delhi Mobile Mate Private Limited is either engaged in or is permitted to carry on business activities, similar to that of our Company, pursuant to the provisions of their respective memorandum of association or charter documents. As and when conflicts arise, we will examine similar viable solutions under applicable law and as determined by our Board of Directors.

### **Related Business transactions between our Company & Group Companies and significance on the financial performance of our Company**

Except as disclosed in “Related Party Transactions” on page 147 of this Red Herring Prospectus, there are no related business transactions of our Company with its Group Companies and significance of the same on the financial performance of our Company.

### **Business interests of group companies/ subsidiaries/ associate companies in our Company**

Other than as disclosed in “Related Party Transactions” on page 147 of this Red Herring Prospectus, none of the group companies/ subsidiaries/ associate companies have any interests in the business of our Company or interest of any other nature as on the date of this Red Herring Prospectus.

### **Payment or benefit to our Group Companies**

Except as stated in chapter titled "*Related Party Transactions*" beginning on page 147 of this Red Herring Prospectus, there has been no payment of benefits to our group companies during the period ended on December 31, 2018, and financial year ended as on March 31, 2018, 2017 and 2016.

## **RELATED PARTY TRANSACTION**

For details on Related Party Transactions of our Company, please refer to *Annexure 29* of restated financial statement under the section titled, “*Financial Statements*” beginning on page 149 of this Red Herring Prospectus.

## **DIVIDEND POLICY**

Under the Companies Act, 2013, an Indian company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders. Under the Companies Act, 2013 dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion. Our Company has not paid any dividend for the last five years and till December 31, 2018.

Dividends are payable within 30 days of approval by the Equity Shareholders at the annual general meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the "record date" are entitled to be paid the dividend declared by our Company. Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company.



**SECTION VI – FINANCIAL STATEMENTS**  
**FINANCIAL STATEMENTS AS RESTATED**

<b>Particulars</b>	<b>Page No.</b>
Restated Financials Statements	F1-F37

## **INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION**

### **The Board of Directors**

#### **Suich Industries Limited,**

Plot No - 68, 3rd Floor,  
Block No. 5 W.E.A, Naiwala,  
Karol Bagh  
New Delhi 110005

Dear Sirs,

1. We have examined the attached Restated Consolidated Financial Information of Suich Industries Limited (the "Holding Company" or "Company") and its subsidiaries ( the Holding Company and its subsidiaries together referred to as "the Group") which comprise of the Restated Consolidated Statement of Assets and Liabilities as at December 31, 2018, March 31, 2018, March 31, 2017 and March 31, 2016 the Restated Consolidated Statements of Profit and Loss and the Restated Consolidated Statement of Cash Flows for the period ended December 31, 2018 and the years ended 31 March 2018, 31 March 2017 and 31 March 2016 and the Restated Consolidated Statement of Significant Accounting Policies as approved by the Board of Directors of the Company at their meeting held on March 5th, 2019 for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP") prepared by the Company in connection with its proposed offer of equity shares 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");
  - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
  - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").
2. The preparation of the Restated Consolidated Financial Information is the responsibility of the Management of the Company for the purpose set out in paragraph 11 below. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The Management is also responsible for identifying and ensuring that the Companies within the Group complies with the Act, the Rules and ICDR Regulations.
3. We have examined such Restated Consolidated Financial Information taking into consideration:
  - a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated January 29th, 2019 in connection with the proposed IPO of equity shares of the Company;
  - b) The Guidance Note on Reports in Company Prospectuses (Revised 2019) ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI").
  - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and
  - d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
4. These Restated Consolidated Financial Information have been compiled by the management as follows:

- a) As at and for the nine months period ended December 31st ,2018: From the audited interim special purpose Consolidated financial statements as at and for the nine months period ended December 31st, 2018 which have been approved by the Board of Directors at its meeting held on February 25th, 2019;
  - b) As at and for the years ended 31 March 2018, 31 March 2017 and 31 March 2016: From the audited Consolidated financial statements as at and for each of the years ended 31 March 2018, 31 March 2017 and 31 March 2016 which have been approved by Board of Directors at their meetings held on September 21st, 2018, August 1st, 2017 and August 29th, 2016 respectively.
5. We did not audit the financial statements of a subsidiary of the Group i.e. Blue Wave Trading H. K. Limited as at and for the years ended December 31, 2018 whose total assets, total revenues, net cash flows and Group's share of profit included in Restated Consolidated Financial Information for the year is INR 258.60 Lacs INR 485.75 Lacs, INR 160.69 Lacs and INR 98.58 Lacs. These financial statements have been audited by another firm of chartered accountants, Wan Wai Keung , whose audit report has been furnished to us by the Company, and our opinion in so far as it relates to the amounts included in these Restated Consolidated Financial Information is based solely on the audit report of the other auditor.
6. Basis on our examination in accordance with the requirements of Section 26 of Part I of Chapter III of the Act read with the Rules, ICDR Regulations and the Guidance Note, we report that:
- a) The Restated Consolidated Statement of Assets and Liabilities of the Group as at December 31, 2018, March 31 2018, March 31 2017 and March 31 2016 examined by us, as set out in Annexure 1 to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure 5 Statement on Adjustments to Audited Consolidated Financial Statements.
  - b) The Restated Consolidated Statement of Profit and Loss of the Group for the period ended December 31, 2018 and years ended March 31 2018, March 31 2017 and March 31 2016 examined by us, as set out in Annexure 2 to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure 5 Statement on Adjustments to Audited Consolidated Financial Statements.
  - c) The Restated Consolidated Statement of Cash Flows of the for the period ended December 31, 2018 and years ended March 31 2018, March 31 2017 and March 31 2016 examined by us, as set out in Annexure 3 to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure 5 Statement on Adjustments to Audited Consolidated Financial Statements.
  - d) The Restated Consolidated Statement of Changes in Equity of the Group for the period ended December 31, 2018 and years ended 31 March 2018, 31 March 2017 and 31 March 2016 examined by us, as set out in Annexure 5 (1) to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure 5 Statement on Adjustments to Audited Consolidated Financial Statements
7. Based on above and also as per the reliance placed by us on the audited financial statements of the Company and auditor's report thereon which have been prepared by Statutory Auditor of the company for the period ended on December 31, 2018 and the years ended March 31, 2018, March 31, 2017 and March 31, 2016 we are opinion that "Consolidated Restated Financial Statement" or "Consolidated Restated Summary Statements" have been after incorporating:
- a. The Restated Consolidated Summary Statements have been arrived at after making such adjustments and regroupings as, in our opinion, are appropriate and more fully described in notes appearing in Annexure 5 of this report;

- b. The accounting policies as at and for the financial years ended December 31,2018 are materially consistent with across the respective years and accordingly, no adjustments have been made to the audited financial statements of the respective periods presented on account of changes in accounting policies;
- c. Adjustments for the material amounts in the respective financial years to which they relate have been adjusted in the attached Restated Consolidated Summary Financial Statements;
- d. There are no extraordinary items which need to be disclosed separately in the Restated Consolidated Summary Financial Statements;
- e. There are no qualifications in the auditors' reports on the financial statements of the Company as at and for the each of the financial year ended December 31, 2018 which require any adjustments to the Restated Consolidated Summary Financial Statements;
- f. have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
8. We have also examined the following restated consolidated financial information of the Group set out in the Annexures prepared by the Management of the Company and approved by the Board of Directors on February 25, 2019 for the for the period ended December 31,2018 and years ended March 31 2018, March 31 2017 and March 31 2016:

**Annexure of Restated Consolidated Financial Statements of the Company:-**

Restated Summary Statement of Consolidated Assets and Liabilities	ANNEXURE 1
Restated Summary Statement of Consolidated Profit and Loss	ANNEXURE 2
Restated Summary Statement of Consolidated Cash Flow Statement	ANNEXURE 3
Restated Consolidated Significant Accounting Policies and Notes to Accounts	ANNEXURE 4
Statement of Notes to the Restated Consolidated Financial Information -Impact of restatement adjustments	ANNEXURE 5(1)
Statement of Notes to the Restated Consolidated Financial Information - Reconciliation of Restated Equity/Net worth	ANNEXURE 5(2)
Restated Consolidated Statement of Share capital	ANNEXURE 6
Restated Statement of Consolidated Reserves and surplus	ANNEXURE 7
Restated Statement of Consolidated Long- term and Short - term borrowings	ANNEXURE 8
Restated Statement of Consolidated Deferred Tax Liabilities	ANNEXURE 9
Restated Statement of Consolidated Provisions	ANNEXURE 10
Restated Statement of Consolidated Other Long term liabilities	ANNEXURE 11
Restated Statement of Consolidated Trade payables	ANNEXURE 12
Restated Statement of Consolidated Other current liabilities	ANNEXURE 13
Restated Summary of Consolidated Property, Plant & Equity	ANNEXURE 14
Restated Statement of Consolidated Loans and advances	ANNEXURE 15
Restated Statement of Consolidated Inventories	ANNEXURE 16
Restated Statement of Consolidated Trade receivables	ANNEXURE 17
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Restated Statement of Consolidated Other Current Assets	ANNEXURE 19
Restated statement of Consolidated Contingent Liabilities and Commitments	ANNEXURE 20
Restated Statement of Consolidated Revenue from Operations	ANNEXURE 21
Restated Statement of Consolidated Other Income	ANNEXURE 22
Restated Statement of Consolidated Cost of Material Consumed	ANNEXURE 23
Restated Statement of Consolidated Changes In Inventories	ANNEXURE 24
Restated Statement of Consolidated Employee benefits Expense	ANNEXURE 25
Restated Statement of Consolidated Finance costs	ANNEXURE 26
Restated Statement of Consolidated Depreciation and Amortisation Expense	ANNEXURE 27
Restated Statement of Consolidated Other expenses	ANNEXURE 28

Restated Statement of Consolidated Related party disclosures	ANNEXURE 29
Disclosure Pursuant to Accounting Standard (AS) 15- Employee Benefits.	ANNEXURE 30
Restated Statement of Consolidated Other Financial Information	ANNEXURE 31
Restated Statement of Capitalization	ANNEXURE 32
Restated Statement of Consolidated Segment Reporting	ANNEXURE 33

According to the information and explanations given to us, in our opinion, the Restated Consolidated Financial Information and the above restated financial information contained in Annexures accompanying this report, read with Restated Consolidated Statement of Significant Accounting Policies disclosed in Annexure 4, are prepared after making adjustments and regroupings as considered appropriate and have been prepared in accordance with Section 26 of Part I of Chapter III of the Act read with the Rules, ICDR Regulations and the Guidance Note.

9. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports.
10. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or by other firms of Chartered Accountants, nor should this report be construed as a new opinion on any of the audited consolidated financial statements referred to herein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
12. Our report is intended solely for use of the Management of the Company for inclusion in the offer document to be filed with Securities and Exchange Board of India, the stock exchanges where the equity shares are proposed to be listed and Registrar of Companies, Delhi in connection with the proposed issue of equity shares of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

**For Amarnath Sharma and Co.**  
**Chartered Accountants**  
**Firm's Registration Number: 100300W**

**Amarnath Sharma**  
**Proprietor**  
**Membership Number: - 039579**

**Place of Signature: Mumbai**  
**Date: 16.03.2019**

**SUICH INDUSTRIES LIMITED**

(Amount in Lakhs)

**Annexure 1: Restated Summary Statement of Consolidated Assets and Liabilities**

Particulars	Annexure	As at 31st March			
		December 31, 2018	2018	2017	2016
<b>Equity and liabilities</b>					
<b>Shareholders' funds</b>					
Share capital	6	1,112.90	1,112.90	1,112.90	1,112.90
Reserves and surplus	7	4,060.05	2,914.48	2,171.67	1,639.14
		<b>5,172.95</b>	<b>4,027.38</b>	<b>3,284.57</b>	<b>2,752.04</b>
<b>Non-Current liabilities</b>					
Long-term borrowings	8	313.24	477.40	975.47	1,032.63
Deffered tax liabilities	9	26.45	30.22	53.53	72.03
Long-term provisions	10	4.14	3.64	3.01	2.58
Other Long term Liabilities	11	2.04	2.04	2.04	2.04
<b>Current liabilities</b>					
Short-term borrowings	8	2,774.08	2,744.41	1,596.84	1,465.05
Trade payables	12				
- total outstanding dues other than micro and small enterprises		1,838.32	5,617.68	767.06	2,120.37
Other current liabilities	13	983.76	955.45	460.08	358.77
Short-term provisions	10	302.99	183.95	128.10	90.08
		<b>6,245.02</b>	<b>10,014.78</b>	<b>3,986.13</b>	<b>5,143.54</b>
<b>Total</b>		<b>11,417.98</b>	<b>14,042.15</b>	<b>7,270.70</b>	<b>7,895.58</b>
<b>Assets</b>					
<b>Non-current assets</b>					
Property, plant and equipment	14	1,225.30	1,392.65	1,571.93	1,772.18
Intangible Assets	14	0.93	1.13	1.40	1.61
Goodwill on account of Consolidation		0.25	0.25		
Long-term loans and advances	15	112.80	115.33	11.89	9.82
		<b>1,339.28</b>	<b>1,509.36</b>	<b>1,585.22</b>	<b>1,783.62</b>
<b>Current assets</b>					
Inventories	16	2,694.40	2,580.05	2,766.78	1,825.54
Trade receivables	17	6,758.60	9,535.43	2,734.85	3,975.49
Cash and bank balances	18	242.74	202.05	55.87	194.12
Short-term loans and advances	15	373.63	208.05	115.65	109.38
Other Current assets	19	9.33	7.22	12.46	7.61
		<b>10,078.70</b>	<b>12,532.80</b>	<b>5,685.60</b>	<b>6,112.13</b>
<b>Total</b>		<b>11,417.98</b>	<b>14,042.15</b>	<b>7,270.70</b>	<b>7,895.58</b>

**Note:**

The above statement should be read with the Statement of Notes to the Restated Financial Information of the Company in Annexure 4

As per our report of even date attached

**For Amarnath Sharma & Co.**  
Chartered Accountants  
Firm Registration No.: 100300W

**For and on behalf of the Board of Directors**

**Amarnath Sharma**  
Proprietor  
Membership No. :- 039579

**Gunnit Singh Allagh**  
Managing Director  
DIN :- 02195678

**Sanchit Allagh**  
Whole -Time Director  
DIN :- 02195744

Place: Mumbai  
Date : 16-03-2019

# SUICH INDUSTRIES LIMITED

(Amount in Lakhs)

## Annexure 2: Restated Summary Statement of Consolidated Profit and Loss

Particulars	Annexure	For the year ended 31st March			
		December 31, 2018	2018	2017	2016
<b>Revenue</b>					
Revenue from operations	21	14,005.73	19,978.97	14,275.35	10,645.95
Other income	22	9.99	299.64	161.16	11.57
<b>Total revenue</b>		<b>14,015.72</b>	<b>20,278.61</b>	<b>14,436.51</b>	<b>10,657.52</b>
<b>Expenses</b>					
Cost of materials consumed	23	11,851.02	18,322.94	12,515.75	10,053.05
Changes in stock-in-trade	24	(205.06)	(585.48)	59.35	(641.75)
Employee benefits expense	25	126.87	138.41	127.61	91.55
Finance costs	26	315.49	488.86	402.97	369.57
Depreciation and amortisation expense	27	167.59	257.22	288.66	214.34
Other expenses	28	311.31	787.56	415.51	158.53
<b>Total expenses</b>		<b>12,567.21</b>	<b>19,409.52</b>	<b>13,809.84</b>	<b>10,245.29</b>
<b>Profit before tax and Extra Ordinary item</b>		<b>1,448.51</b>	<b>869.10</b>	<b>626.67</b>	<b>412.23</b>
Profit Before Extraordinary Item & Tax		<b>1,448.51</b>	<b>869.10</b>	<b>626.67</b>	<b>412.23</b>
<b>Extraordinary Item</b>			-	-	-
Profit Before Tax		1,448.51	869.10	626.67	412.23
<b>Tax expense</b>					
Current tax		(304.10)	(170.05)	(122.37)	(84.53)
Deferred tax (credit)/charge		3.77	23.31	18.50	(77.72)
MAT Credit Entitlements		-	20.55	9.71	50.54
<b>Profit for the period / year</b>		<b>1,148.18</b>	<b>742.92</b>	<b>532.51</b>	<b>300.52</b>

### Note:

The above statement should be read with the Statement of Notes to the Restated Financial Information of the Company in Annexure

As per our report of even date attached

**For Amarnath Sharma & Co.**  
Chartered Accountants  
Firm Registration No.: 100300W

**For and on behalf of the Board of Directors**

**Amarnath Sharma**  
Proprietor  
Membership No. :- 039579

**Gunnit Singh Allagh**  
Managing Director  
DIN :- 02195678

**Sanchit Allagh**  
Whole -Time Director  
DIN :- 02195744

Place: Mumbai  
Date : 16-03-2019

**SUICH INDUSTRIES LIMITED**

(Amount in Lakhs)

**Annexure 3: Restated Summary Statement of Consolidated Cash Flows**

Particulars	As at 31st March			
	December 31, 2018	2018	2017	2016
<b>A. Cash flow from operating activities</b>				
Profit before tax, as restated	1,448.51	869.10	626.67	412.23
Adjustments for :				
Depreciation and amortisation expense	167.59	257.22	288.66	214.34
Finance costs	315.49	488.86	402.97	369.57
Provision for Gratuity	0.59	1.02	0.58	1.03
Interest income on deposits	(2.11)	(2.70)	(3.30)	(3.41)
Capital Reserve on account of consolidation	-	-	0.06	-
Goodwill on consolidation of Capital Reserve	-	(0.31)	-	-
Profit on Sale Of Fixed Assets	-	(9.94)	-	-
Realised Foreign Exchange Loss (Net)	41.69	(276.21)	(149.70)	6.05
<b>Operating profit before working capital changes</b>	<b>1,971.76</b>	<b>1,327.05</b>	<b>1,165.93</b>	<b>999.82</b>
<b>Changes in working capital:</b>				
Increase / (decrease) in Sundry Creditor	(3,821.63)	5,126.44	(1,248.85)	1,567.33
Increase / (decrease) in Other Current Liabilities	28.31	495.26	84.34	(198.28)
(Increase) / decrease in Inventories	(114.35)	186.73	(941.24)	(466.88)
(Increase) / decrease in trade receivables	2,776.83	(6,800.59)	1,240.64	(1,801.76)
(Increase) / decrease in loans and advances and other	(165.17)	(190.59)	32.05	635.70
(Increase) / decrease in Change in Provisions	119.55	55.84	30.11	(6.00)
<b>Cash generated from / (utilised in) operations</b>	<b>795.31</b>	<b>200.13</b>	<b>362.99</b>	<b>729.91</b>
Less : Income tax paid	(304.10)	(149.49)	(104.89)	(33.99)
<b>Net cash flow generated from/ (utilised in) operating activities (A)</b>	<b>491.21</b>	<b>50.64</b>	<b>258.10</b>	<b>695.92</b>
<b>B. Cash flow from investing activities</b>				
Purchase of Fixed Assets (Incl. WIP)	(2.65)	(85.89)	(88.23)	(1,588.08)
Sale of Fixed assets	-	18.10	-	-
Interest received	2.11	2.70	3.30	3.41
<b>Net cash flow utilised in investing activities (B)</b>	<b>(0.54)</b>	<b>(65.09)</b>	<b>(84.93)</b>	<b>(1584.67)</b>
<b>C. Cash flow from financing activities</b>				
Repayment of long-term borrowings	(164.16)	(498.07)	(40.25)	673.39
Proceeds from / (repayment of) short-term borrowings	29.67	1,147.56	131.80	278.88
Interest paid	(315.49)	(488.86)	(402.97)	(369.58)
Proceeds from issuance of shares	-	-	-	-
<b>Net cash flow generated from/ (utilised in) financing activities (C)</b>	<b>(449.98)</b>	<b>160.63</b>	<b>(311.41)</b>	<b>582.68</b>
<b>Net (decrease)/ increase in cash &amp; cash equivalents (A+B+C)</b>	<b>40.69</b>	<b>146.18</b>	<b>(138.24)</b>	<b>(306.07)</b>
Cash and cash equivalents at the beginning of the	202.05	55.87	194.12	500.18
<b>Cash and cash equivalents at the end of the period/ (Refer Annexure 16)</b>	<b>242.74</b>	<b>202.05</b>	<b>55.87</b>	<b>194.12</b>
<b>Cash and cash equivalents comprise:</b>				
Cash on hand	140.92	42.01	20.44	94.70
Balances with banks in current accounts	101.82	160.04	35.42	99.41
<b>Total</b>	<b>242.74</b>	<b>202.05</b>	<b>55.87</b>	<b>194.12</b>

1. The Cash Flow statement has been prepared under Indirect method as per Accounting Standard-3 "Cash Flow Statements

2. Figures in Brackets represent outflows

3. The above statement should be read with the Restated Statement of Consolidated Assets and Liabilities, Statement of Profit and loss, Significant Accounting Policies and Notes to Accounts as appearing in Annexure 1, 2 and 4 respectively

As per our report of even date attached

**For Amarnath Sharma & Co.**  
**Chartered Accountants**  
**Firm Registration No.: 100300W**

**For and on behalf of the Board of Directors**

**Amarnath Sharma**  
**Proprietor**  
**Membership No. :- 039579**

**Gunnit Singh Allagh**  
**Managing Director**  
**DIN :- 02195678**

**Sanchit Allagh**  
**Whole -Time Director**  
**DIN :- 02195744**

**Place :Mumbai**  
**Date : 16-03-2019 :**



## **SUICH INDUSTRIES LIMITED**

### **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### **A. PRINCIPLES OF CONSOLIDATION**

The consolidated financial statements relate to Suich Industries Limited (“the Holding Company”) and its wholly owned subsidiary Blue Wave Trading H K Limited. The Company and its Subsidiary constitute the group

A. The consolidated financial statements relate to Suich Industries Limited (“the Holding Company”) and its wholly owned subsidiary Blue Wave Trading H K Limited. The Company and its Subsidiary constitute the group

B. Name of subsidiary and the company's effective holding thereon as on December 31, 2018

<b>Sr no.</b>	<b>Name of the Entity</b>	<b>Country of Incorporation</b>	<b>Effective ownership in % either</b>	<b>directly or through subsidiaries</b>
1	Blue Wave Trading H K Limited	Hong Kong, China	100%	Subsidiaries

C. The financial statements of the company and its subsidiary company are combined on a line-by-line basis by adding together the book values of like items of assets, Liabilities, income and expenses, after fully eliminating intra-group transactions in accordance with Accounting Standard (AS 21 - "Consolidated Financial Statements").

D. The excess of the cost to the parent of its investments in a subsidiary over the parent's portion of equity at the date on which investment in the subsidiary is made, is recognised as 'Goodwill (on consolidation)'. When the cost to the parent of its investment in a subsidiary is less than the parent's portion of equity of the subsidiary at the date on which investment in a subsidiary is made, the difference is treated as 'Capital Reserve (on consolidation)' in the consolidated financial statements.

E. Minority Interest in the net assets of consolidated subsidiary consists of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary company are made.

#### **B. Basis of preparation of Consolidated financial statements**

The consolidated restated summary statement of assets and liabilities of the Company as at December 31 2018, March 31,2018 2017 and 2016 and the related consolidated restated summary statement of profits and loss for the year ended December 31 2018, March 31,2018 2017 and 2016 and consolidated restated cash flow for the years ended December 31 2018, March 31,2018 2017 and 2016 (herein collectively referred to as 'Consolidated restated Summary Statements') have been compiled by the management from the audited financial statements of the Company for the years ended on December 31 2018, March 31,2018, 2017 and 2016 approved by the Board of Directors of the Company. Consolidated restated Summary Statements have been prepared to comply in all material respects with the provisions of Part I of Chapter III of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“the SEBI Guidelines”) issued by SEBI and Guidance note on Reports in Companies Prospectus (Revised). Consolidated restated Summary Statements have been prepared specifically for inclusion in the offer document to be filed by the Company with the BSE in connection with its proposed Initial public offering of equity shares.

#### **C. Use of estimates**

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

#### **D. Fixed Assets**

##### **(i) Tangible Assets**

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

##### **(i) Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

## **E. Depreciation, Amortisation and Depletion**

### **(i) Tangible Assets**

Depreciation is provided based on useful life of asset as prescribed in schedule II of Companies Act 2013 except non charging of 100% depreciation on assets costing below Rs. 5000/-. The carrying amount as on April 1st, 2014 is depreciated over the balance useful life of asset. Depreciation on additions to the assets and the assets sold or disposed of, during the year is provided on pro-rata basis, at their respective useful life or rate of depreciation as prescribed with reference to the date of acquisition/ installation or date of sale/ disposal.

### **(ii) Intangible assets**

The Management estimates the useful lives for the fixed assets as per Schedule II to the Companies Act, 2013.

## **F. Impairment**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Statement in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in estimate of recoverable amount.

## **G. Leases**

Lease under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets acquired are capitalized at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payment under operating leases are recognised as an expense on a straight line basis in the statement of profit and loss over the lease term.

## **H. Borrowing Assets**

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessary takes substantial period of time to get ready for intended use. All other borrowing costs are charged to the Profit and Loss Statement in the period in which they are incurred.

## **I. Investments**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. On initial recognition, all investments are measured at cost. The cost comprises price and directly attributable acquisition charges such as brokerage, fees and duties. Current investments are carried in the consolidated financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss

## **J. Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized

### **(i) Sale of Goods**

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. Revenue from operations is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

### **(ii) 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.

### **(iii) Dividends**

Dividend income is recognized when the company's right to receive dividend is established by the reporting date.

## **K Segment Reporting**

### **(i) Primary (Business) Segment**

(a) The Business segment has been considered as a primary segment.

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

(c) The Company's primary business comprises of Mobile phone battery, Mobile Phone, Mobile Charger, LED TV and other mobile accessories and since it is the only reportable segment as envisaged in Accounting Standard 17 "Segment Reporting" Accordingly, no separate disclosure for segment reporting is required to be made in the financial statements of the company

### **2. Geographical Segment**

The Company's secondary segments are the geographic distribution of activities. Revenue and receivables are specified by location of customers while the other geographic information is specified by location of the assets. The following tables present revenue, expenditure and certain asset information regarding the company's geographical segments.

## **L. Foreign currency translation**

### **(i) Initial Recognition**

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.

### **(i) Exchange Difference**

Exchange differences arising on the settlement of monetary items, or on reporting such monetary items of company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

## **M Employee Benefits Expenses**

The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The company has no obligation, other than the contribution payable to the provident fund.

The company operates one defined benefit plan for its employees, viz., gratuity. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out for plan using the projected unit credit method. Actuarial gains and losses for defined benefit plan are recognized in full in the period in which they occur in the statement of profit and loss.

## **N Income Tax**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-Tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized

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

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement".

## **N Earning Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

## **O Contingent Liabilities and Contingent Assets**

A provision is recognized when the company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the consolidated financial statements.

## SUICH INDUSTRIES LIMITED

### Annexure 5 (1) : Statement of Notes to the Restated Consolidated Financial Information

#### Restatement adjustments, Material regroupings and Non-adjusting items

##### (a) Impact of restatement adjustments

Below mentioned is the summary of results of restatement adjustments made to the audited financial statements of the respective period/years and its impact on profits.

(Amount in Lakhs)

Particulars	For the year ended 31 March			
	December 31, 2018	2018	2017	2016
Profit after tax as per audited financial statements	1,113.15	693.70	514.56	280.81
<b>Adjustments to net profit as per audited financial statements</b>				
Prior Period expenses	-	3.38		7.01
Change in Depreciation	-	71.75	36.74	17.36
Change in MAT Credit	-	13.97	7.19	(4.14)
Gratuity expenses (current Yr)	5.16	(1.02)	(0.58)	(1.03)
<b>Total adjustments</b>	<b>5.16</b>	<b>88.07</b>	<b>43.35</b>	<b>19.19</b>
<b>Difference in tax provision as per books and Resated</b>	-	(15.07)	(7.18)	(3.43)
<b>Difference in Deferred as per books and Resated</b>	29.87	(23.79)	(18.23)	3.95
<b>Restated profit after tax for the years</b>	<b>1,148.18</b>	<b>742.92</b>	<b>532.51</b>	<b>300.52</b>

##### Note:

A positive figures represents addition and figures in brackets represents deletion in the corresponding head in the audited financial respective reporting periods to arrive at the restated numbers.

##### (b) Adjustments having impact on Profit:

- There was an error in calculating depreciation due to software issue, however the effect for the same has been considered in Consolidated Financial Statements.
- The company had policy to adjust prior period expenses to opening balance of profit/(loss) of earlier years as carried forward. However, in the restated summary financial statements expenses have been charged to the statement of profit & loss of the period to which such expenses relate.
- The company did not charge gratuity in the statement of profit & loss for each of the financials years ended on December 31 2018, March 31, 2018, 2017 and 2016. The restated Consolidated summary financial statements, the company has now charged the gratuity to the statement of profit & loss of the respective year as per actuarial valuation report.
- The Company has provided short or excess provision in the year in which income tax return has been filed. But in Restated accounts; the company has provided short or excess provision in the year to which it relates.
- Due to changes in Depreciation and Provision for Gratuity/leave encashment, etc, The Company has recalculated the deferred tax liability and deferred tax assets at the rate of normal Tax rate applicable at the end of relevant year.

##### To give Explanatory Notes regarding Adjustments

Appropriate adjustments have been made in the restated financial statements, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financials of the Company for all the years and the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018.

##### (d) Material regrouping

- Appropriate adjustments have been made in the Restated Financial Information, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financial statements of the Company as at and for the year ended 31st March 2018, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (as amended).

## SUICH INDUSTRIES LIMITED

### Annexure 5 (2)

#### Reconciliation of Restated Equity/Networth

(Amount in Lakhs)

Adjustments For	As at 31st March			
	December 31, 2018	2018	2017	2016
<b>Equity/Networth As Per Audited Financials</b>	5,191.60	3,970.74	3,277.04	2,762.46
<b>Adjustments For :</b>				
Prior Period Adjustment	56.69	10.99	(10.08)	(23.02)
Change in Depreciation	-	71.56	36.74	17.87
Change in MAT Credit	-	13.97	7.19	(4.14)
Adjustment in FA as per Companies Act	(110.37)	-	0.01	0.21
Gratuity Expenses	5.16	(1.02)	(0.58)	(1.03)
<b>Total adjustments</b>	<b>(48.52)</b>	<b>95.50</b>	<b>33.28</b>	<b>(10.11)</b>
Difference in tax provision as per books and Resated	-	(15.07)	(7.18)	(3.43)
Difference in Deferred as per books and Resated	29.87	(23.79)	(18.57)	3.12
<b>Total</b>	<b>5,172.95</b>	<b>4,027.38</b>	<b>3,284.57</b>	<b>2,752.04</b>

Explanatory Notes to the above restatements made in Audited Financial Statements of the Company for the respective years / period

#### Adjustments having impact on Profit:

##### Note: 1

Amounts relating to the prior period have been adjusted in the year to which the same relates to and the same amount is arrived on account of change in Opening Balance of Reserve & Surplus due to the restated effect on the Profit / (Loss) of prior period.

#### **To give Explanatory Notes regarding Adjustments**

Appropriate adjustments have been made in the restated financial statements, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financials of the Company for all the years and the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018.

# SUICH INDUSTRIES LIMITED

(Amount in Lakhs)

## Annexure 6: Restated Consolidated Statement of Share capital

Particulars	As at 31st March			
	December 31, 2018	2018	2017	2016
<b>Authorised share capital</b>				
Equity shares of Rs 10 each				
- Number of shares	200.00	165.00	120.00	120.00
- Amount in Rs	2,000.00	1,650.00	1,200.00	1,200.00
	<b>2,000.00</b>	<b>1,650.00</b>	<b>1,200.00</b>	<b>1,200.00</b>
<b>Issued, subscribed and fully paid up</b>				
Equity shares of Rs 10 each				
- Number of shares	111.29	111.29	111.29	111.29
- Amount in Rs	1,112.90	1,112.90	1,112.90	1,112.90
	<b>1,112.90</b>	<b>1,112.90</b>	<b>1,112.90</b>	<b>1,112.90</b>

### a) Reconciliation of Consolidated equity share capital

Particulars	As at 31st March			
	December 31, 2018	2018	2017	2016
<b>Balance at the beginning of the period/year</b>				
- Number of shares	111.29	111.29	111.29	111.29
- Amount in Rs	1,112.90	1,112.90	1,112.90	1,112.90
<b>Add: Shares issued during the period/year</b>				
- Number of shares	-	-	-	-
- Amount in Rs	-	-	-	-
<b>Balance at the end of the period/year</b>				
- Number of shares	111.29	111.29	111.29	111.29
- Amount in Rs	<b>1,112.90</b>	<b>1,112.90</b>	<b>1,112.90</b>	<b>1,112.90</b>

#### Terms/rights attached to equity shares:

- The Authorised Capital of the company was increased from Rs. 1650.00 Lacs to Rs. 2000.00 Lacs dated 23rd May, 2018 and from Rs. 1200.00 Lacs to Rs. 1650.00 Lacs dated 6th February, 2018.
- The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/- each holder of equity shares is entitled to one vote per share.
- The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the company.
- The above statement should be read with the significant accounting policies and notes to restated Consolidated summary statements of assets and liabilities, profits and losses and cash flows.

**SUICH INDUSTRIES LIMITED****Annexure 6: Restated Consolidated Statement of Share capital****b) Shareholders holding more than 5% of the shares of the Company**

Particulars	As at 31st March			
	December 31, 2018	2018	2017	2016
<b>Equity shares of ₹ 10 each</b>				
Mr. Gunnit Singh Allagh				
- Number of shares	55.10	55.10	55.15	55.15
- Percentage holding (%)	49.51%	49.51%	49.56%	49.56%
Mr. Sanchi Allagh				
- Number of shares	47.30	47.30	47.35	47.35
- Percentage holding (%)	42.50%	42.50%	42.55%	42.55%
Gunnit Singh Allagh HUF				
- Number of shares	8.72	8.72	8.72	8.72
- Percentage holding (%)	7.84%	7.84%	7.84%	7.84%

## SUICH INDUSTRIES LIMITED

### Annexure 7: Restated Statement of Consolidated Reserves and surplus

(Amount in Lakhs)

Particulars	As at 31 March			
	December 31, 2018	2018	2017	2016
<b>A. Securities premium account</b>				
Balance at the beginning of the period / year	604.94	604.94	604.94	604.94
Add : On shares issued	-	-	-	-
<b>Balance at the end of the period/year</b>	<b>604.94</b>	<b>604.94</b>	<b>604.94</b>	<b>604.94</b>
<b>B. Capital Reserve</b>				
Capital reserve on account of Consolidation	-	-	0.06	-
	-	-	<b>0.06</b>	-
<b>B. Surplus in the Restated Summary Statement of Profit and Loss</b>				
Balance at the beginning of the period/year	2,309.54	1,566.67	1,034.20	733.73
Add : Transferred from the Restated Summary Statement of Profit and Loss	1,148.18	742.92	532.51	300.52
Less: Adjustment in F.A. as per Companies Act 2013	2.60	0.05	0.03	0.05
<b>Balance at the end of the period/year</b>	<b>3,455.11</b>	<b>2,309.54</b>	<b>1,566.67</b>	<b>1,034.20</b>
	<b>4,060.05</b>	<b>2,914.48</b>	<b>2,171.67</b>	<b>1,639.14</b>

#### Notes

- The figures disclosed above are based on the restated summary statement of consolidated assets and liabilities of the Company
- The above statement should be read with the notes to restated summary statements of consolidated assets and liabilities, profits and losses and cash flows appearing in Annexure 1, 2 and 3.



# SUICH INDUSTRIES LIMITED

(Amount in Lakhs)

## Annexure 8: Restated Statement of Consolidated Long- term and Short - term borrowings

Particulars	As at 31st March								
	December 31, 2018		2018		2017		2016		
	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	
<b>Secured</b>									
<b>(a) Term Loan</b>									
<b>From Banks/ Financial Institution &amp; NBFC</b>									
- Term Loan and working capital loan	227.71	2,774.08	257.16	2,744.41	408.33	1,463.66	581.51	1,465.05	
- Vehicle Loan	56.02	-	78.04	-	63.38	-	-	-	
	<b>283.73</b>	<b>2,774.08</b>	<b>335.20</b>	<b>2,744.41</b>	<b>471.71</b>	<b>1,463.66</b>	<b>581.51</b>	<b>1,465.05</b>	
<b>Unsecured</b>									
'- Loans from Bank / Financial Institutions & NBFC	29.51	-	142.20	-	503.76	-	451.11	-	
- From Related Parties	-	-	-	-	-	133.18	-	-	
	<b>29.51</b>	<b>-</b>	<b>142.20</b>	<b>-</b>	<b>503.76</b>	<b>133.18</b>	<b>451.11</b>	<b>-</b>	
	<b>313.24</b>	<b>2,774.08</b>	<b>477.40</b>	<b>2,744.41</b>	<b>975.47</b>	<b>1,596.84</b>	<b>1,032.63</b>	<b>1,465.05</b>	

NATURE OF SECURITY AND TERMS OF REPAYMENT FOR TERM LOANS FROM BANKS & NBFC INCLUDING CURRENT MATURITIES

Amount in Lakhs

Sr. No	Name of Lender	Nature of Facility	Amount Outstanding as at December, 31 2018	Rate of Interest (%)	Repayment Terms	Security/ Principal Terms & conditions
1	* State Bank of India	Term Loan of Rs. 513.00 Lakhs	Rs. 356.02 Lacs	As per Sanction Terms	Repayable in 60 Monthly Installments, Out of which 59 installments of RS. 11,67,000/- Each and 1 installments of Rs. 11,47,000/- starting from 30 <sup>th</sup> November, 2012	<p>(i) First charge by way of hypothecation on all fixed assets of the Company, Hypothecation of Plant &amp; Machinery.</p> <p>(iii) Equitable Mortgage of Commercial Building bearing Survey No. 10582 (5/68), situated at Shop No. 14, Ground Floor, Plot No. 68, Block No. 5, WEA Naiwala, Karol Bagh, New Delhi-110005</p> <p>(iv) Equitable Mortgage of Commercial Building bearing Survey No. 10582 (5/68), situated at Third Floor, commercial property Municipal No. 10582 (5/68), Plot No. 68, Block No. 5, WEA Naiwala, Karol Bagh, New Delhi-110005</p> <p>(v) Equitable Mortgage of Commercial Building bearing Survey No. Shop No. 22, situated at Shop No. 22, Ground Floor, Municipal No. 10528 (5/68), Plot No. 68, Block No. 5, WEA Naiwala, Karol Bagh, New Delhi-110005</p> <p>(vi) Equitable Mortgage of Commercial Building bearing Survey No. 2659/3016, situated at Plot No. 106, Sector-7, IIE Sidcul, Haridwar-</p>

						249403 (Urban)
<b>*Bank of Baroda Term Loan has been taken over by State Bank of India.</b>						
2	KOTAK MAHINDRA PRIME LIMITED	Vehicle Loan of Rs. 40.00 Lakhs	Rs. 7.86 Lacs	As per Sanction Terms	Repayable in 36 Monthly Installments, Out of which 12 installments of RS. 1,92,000/- Each, 12 installments of Rs. 1,44,000/- & 12 Installments of Rs. 78,000 starting from 1 <sup>st</sup> December, 2016	Hypothecation of Vehicle
3	KOTAK MAHINDRA PRIME LIMITED	Vehicle Loan of Rs. 10.00 Lakhs	Rs. 1.96 Lacs	As per Sanction Terms	Repayable in 36 Monthly Installments, Out of which 12 installments of RS. 48,000/- Each, 12 installments of Rs. 36,000/- & 12 Installments of Rs. 19,500/- starting from 1st December, 2016	Hypothecation of Vehicle
4	HDFC BANK	Vehicle Loan of Rs. 12.62 Lakhs	Rs. 7.30 Lacs	As per Sanction Terms	Repayable in 60 Monthly Installments of Rs. 26,814 /- starting from 5 <sup>th</sup> August, 2016	Hypothecation of Vehicle
5	HDFC BANK	Vehicle Loan of Rs. 7.67 Lakhs	Rs. 3.94 Lacs	As per Sanction Terms	Repayable in 47 Monthly Installments of Rs. 19,570 /- starting from 5th December, 2016	Hypothecation of Vehicle
6	HDFC BANK	Vehicle Loan of Rs. 29.00 Lakhs	Rs. 17.13 Lacs	As per Sanction Terms	Repayable in 60 Monthly Installments of Rs. 60,693 /- starting from 7th September, 2016	Hypothecation of Vehicle
7	Axis Bank	Vehicle Loan of Rs. 29.50 Lakhs	Rs. 24.20 Lacs	As per Sanction Terms	Repayable in 84 Monthly Installments of Rs. 46,718/- starting from 10th June, 2017	Hypothecation of Vehicle
8	HDFC BANK	Vehicle Loan of Rs. 13.00 Lakhs	Rs. 11.20 Lacs	As per Sanction Terms	Repayable in 60 Monthly Installments of Rs. 26,774/- starting from 7th March, 2018	Hypothecation of Vehicle
9	HDFC BANK	Vehicle Loan of Rs. 13.00 Lakhs	Rs. 11.20 Lacs	As per Sanction Terms	Repayable in 60 Monthly Installments of Rs. 26,774/- starting from 7th March, 2018	Hypothecation of Vehicle
10	* State Bank of India	Cash Credit of Rs. 2750.00 Lakhs	Rs. 2774.08 Lacs	As per Sanction Terms	The said CC Limit shall be repayable on demand	All Current assets of the Company present and Future including Stock, Book Debt, Advances,

						<p>Receivables, good under LC, and miscellaneous current assets, will be hypothecated to the Bank during the CC limit.</p> <p>All the fixed assets in the name of the company will be hypothecated.</p>
<p><b>*Bank of Baroda CC Limit has been taken over by State Bank of India.</b></p>						

## SUICH INDUSTRIES LIMITED

### Annexure 9: Restated Statement of Consolidated Deferred Tax Liabilities

(Amount in Lakhs)

Particulars	As at 31 March			
	December 31, 2018	2018	2017	2016
Opening deferred tax assets	30.22	53.53	72.03	(5.69)
<b>Deferred tax liabilities</b>				
WDV as per companies Act	1,226.23	1,393.78	1,573.33	1,773.79
WDV as per income tax Act	1,129.63	1,297.22	1,407.28	1,531.24
<b>Difference in WDV</b>	(96.60)	(96.56)	(166.05)	(242.55)
Gratuity Provision	5.76	5.16	4.14	3.56
Other disallowance including u/s 43B	-	-	-	21.13
<b>Total Timing Difference</b>	<b>(90.84)</b>	<b>(91.40)</b>	<b>(161.91)</b>	<b>(217.86)</b>
<b>Tax Rate</b>	<b>29.12%</b>	<b>33.06%</b>	<b>33.06%</b>	<b>33.06%</b>
<b>Closing deferred tax assets / (liabilities)</b>	<b>(26.45)</b>	<b>(30.22)</b>	<b>(53.53)</b>	<b>(72.03)</b>
<b>Amount Transferred to Profit &amp; loss account</b>	<b>3.77</b>	<b>23.31</b>	<b>18.50</b>	<b>(77.72)</b>

1. The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the company.

2. The above statement should be read with the notes to restated consolidated summary financial statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure and with the notes on adjustments for the consolidated Restated Statement of the Assets and Liabilities, the Consolidated Restated Statement of Profit and Loss and the Restated of Cash Flows.

### Annexure 10 : Restated Statement of Consolidated Provisions

(Amount in Lakhs)

Particulars	As at 31st March							
	December 31, 2018		2018		2017		2016	
	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term
<b>Provision for employee benefits</b>								
Provision for gratuity (refer note (a) (Annexure 31))	4.14	1.62	3.64	1.53	3.01	1.13	2.58	0.99
Income Tax		301.37	-	182.42	-	126.97	-	89.09
	<b>4.14</b>	<b>302.99</b>	<b>3.64</b>	<b>183.95</b>	<b>3.01</b>	<b>128.10</b>	<b>2.58</b>	<b>90.08</b>

#### Note:

##### (a) Gratuity

The Company provides for gratuity benefit under a defined benefit retirement scheme (the "Gratuity Scheme") as laid out by the Payment of Gratuity Act, 1972 of India covering eligible employees. The Gratuity Scheme provides for a lump-sum payment to employees who have completed at least five years of service with the Company, based on salary and tenure of employment. Liabilities with regard to the Gratuity Scheme are determined by actuarial valuation carried out using the Projected Unit Credit Method by an independent actuary. The Gratuity Scheme is a non-funded scheme and the Company intends to discharge this liability through its internal resources.

(b) Provision for tax have been adjusted against the Advance tax, TDS and TCS receivable and negative figure have been duly shown under the head short term loans & advances (Annexure 15)

### Annexure 11 :-Restated Statement of Consolidated Other Long term liabilities

(Amount in Lakhs)

Particulars	As at 31st March			
	December 31, 2018	2018	2017	2016
Security Deposits	2.04	2.04	2.04	2.04
	<b>2.04</b>	<b>2.04</b>	<b>2.04</b>	<b>2.04</b>

1. The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the company.

2. The above statement should be read with the notes to restated consolidated summary financial statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure and with the notes on adjustments for the consolidated Restated Statement of the Assets and Liabilities, the Consolidated Restated Statement of Profit and Loss and the Restated of Cash Flows.

## SUICH INDUSTRIES LIMITED

### Annexure 12: Restated Statement of Consolidated Trade payables

(Amount in Lakhs)

Particulars	As at 31 March			
	December 31, 2018	2018	2017	2016
Dues of micro and small enterprises (refer note below)	-	-	-	-
<b><u>Dues other than micro and small enterprises</u></b>				
Sundry Creditors for Goods	1,838.32	5,617.68	767.06	2,120.37
	<b>1,838.32</b>	<b>5,617.68</b>	<b>767.06</b>	<b>2,120.37</b>

1. The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the company.
2. The above statement should be read with the notes to restated Consolidated summary financial statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure and with the notes on adjustments for the Restated Consolidated Statement of the Assets and Liabilities, the Restated Consolidated Statement of Profit and Loss and the Restated of Cash Flows.
3. Amount due to entities covered under Micro, Small and medium Enterprises as defined in the Micro, Small, Medium Enterprise Development Act, 2006 have been identified on the basis of information available with the Company. There was no amount due to such entities which needs to be disclosed.

### Annexure 13: Restated Statement of Consolidated Other current liabilities

(Amount in Lakhs)

Particulars	As at 31 March			
	December 31, 2018	2018	2017	2016
Current maturities of Long Term Debt (i.e. Term Liability classified as current)	356.44	622.11	249.95	233.04
Statutory Remittance	424.32	239.80	187.65	83.09
<b>Other Payables</b>				
Expenses Payable	203.00	93.54	22.48	28.93
Advance from Customers	-	-	-	13.70
	<b>983.76</b>	<b>955.45</b>	<b>460.08</b>	<b>358.77</b>

1. Advances received from customers have been taken as certified by the management of the Company and no security has been offered by the company against the same.
2. The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the company.
3. The above statement should be read with the notes to restated Consolidated summary financial statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure and with the notes on adjustments for the Consolidated Restated Statement of the Assets and Liabilities, the Consolidated Restated Statement of Profit and Loss and the Restated of Cash Flows.

Annexure 14: Restated Summary of Consolidated Property, Plant & Equity

(Amount in Lakhs)

Particular	December 31, 2018	2018	2017	2016
<b>Land &amp; Building</b>				
<b>Gross Block</b>	<b>75.97</b>	<b>75.97</b>	<b>75.97</b>	<b>75.97</b>
Additions			-	-
Disposals		-	-	-
<b>Closing Balance</b>	<b>75.97</b>	<b>75.97</b>	<b>75.97</b>	<b>75.97</b>
<b>Depreciation</b>				
<b>Opening Balance</b>	<b>25.46</b>	<b>19.99</b>	<b>13.93</b>	<b>7.21</b>
<b>Depreciation during the year</b>	<b>3.70</b>	<b>5.47</b>	<b>6.06</b>	<b>6.72</b>
<b>Reversal</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Closing Balance</b>	<b>29.16</b>	<b>25.46</b>	<b>19.99</b>	<b>13.93</b>
<b>Net Block</b>	<b>46.81</b>	<b>50.51</b>	<b>55.98</b>	<b>62.04</b>
<b>Plant &amp; Machinery</b>				
<b>Gross Block</b>	<b>1,130.45</b>	<b>1,124.08</b>	<b>1,124.08</b>	<b>139.80</b>
Additions		6.37	-	984.28
Disposals		-	-	-
<b>Closing Balance</b>	<b>1,130.45</b>	<b>1,130.45</b>	<b>1,124.08</b>	<b>1,124.08</b>
<b>Depreciation</b>				
<b>Opening Balance</b>	<b>489.17</b>	<b>347.29</b>	<b>174.80</b>	<b>53.00</b>
<b>Depreciation during the year</b>	<b>87.38</b>	<b>141.88</b>	<b>172.49</b>	<b>121.80</b>
<b>Reversal</b>		<b>-</b>	<b>-</b>	
<b>Closing Balance</b>	<b>576.55</b>	<b>489.17</b>	<b>347.29</b>	<b>174.80</b>
<b>Net Block</b>	<b>553.90</b>	<b>641.28</b>	<b>776.79</b>	<b>949.28</b>
<b>Machinery used in Manufacturing</b>				
<b>Gross Block</b>	<b>411.85</b>	<b>405.91</b>	<b>394.02</b>	<b>389.52</b>
Additions		5.94	11.90	4.49
Disposals		-	-	-
<b>Closing Balance</b>	<b>411.85</b>	<b>411.85</b>	<b>405.91</b>	<b>394.02</b>
<b>Depreciation</b>				
<b>Opening Balance</b>	<b>274.11</b>	<b>242.18</b>	<b>204.25</b>	<b>160.01</b>
<b>Depreciation during the year</b>	<b>19.63</b>	<b>31.92</b>	<b>37.93</b>	<b>44.25</b>
<b>Reversal</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>Closing Balance</b>	<b>293.74</b>	<b>274.11</b>	<b>242.18</b>	<b>204.25</b>
<b>Net Block</b>	<b>118.11</b>	<b>137.74</b>	<b>163.73</b>	<b>189.77</b>
<b>Furniture &amp; Fixture</b>				
<b>Gross Block</b>	<b>20.16</b>	<b>12.18</b>	<b>3.11</b>	<b>3.11</b>
Additions		7.98	9.07	-
Disposals		-	-	-
<b>Closing Balance</b>	<b>20.16</b>	<b>20.16</b>	<b>12.18</b>	<b>3.11</b>
<b>Depreciation</b>				
<b>Opening Balance</b>	<b>6.20</b>	<b>3.80</b>	<b>1.97</b>	<b>1.50</b>
<b>Depreciation during the year</b>	<b>2.72</b>	<b>2.40</b>	<b>1.83</b>	<b>0.47</b>
<b>Reversal</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>Closing Balance</b>	<b>8.92</b>	<b>6.20</b>	<b>3.80</b>	<b>1.97</b>
<b>Net Block</b>	<b>11.24</b>	<b>13.96</b>	<b>8.38</b>	<b>1.14</b>

<b><u>Vehicles</u></b>				
<b>Gross Block</b>	<b>164.50</b>	<b>117.49</b>	<b>51.04</b>	<b>51.04</b>
Additions		60.69	66.44	-
Disposals	51.04	13.68	-	-
<b>Closing Balance</b>	<b>113.46</b>	<b>164.50</b>	<b>117.49</b>	<b>51.04</b>
<b>Depreciation</b>				
<b>Opening Balance</b>	<b>81.03</b>	<b>60.68</b>	<b>44.57</b>	<b>40.04</b>
<b>Depreciation during the year</b>	<b>18.95</b>	<b>25.87</b>	<b>16.11</b>	<b>4.53</b>
<b>Reversal</b>	<b>48.49</b>	<b>5.52</b>	<b>-</b>	<b>-</b>
<b>Closing Balance</b>	<b>51.49</b>	<b>81.03</b>	<b>60.68</b>	<b>44.57</b>
<b>Net Block</b>	<b>61.97</b>	<b>83.47</b>	<b>56.81</b>	<b>6.48</b>
<b><u>Computer &amp; Hardware</u></b>				
<b>Gross Block</b>	<b>4.24</b>	<b>2.83</b>	<b>2.99</b>	<b>3.56</b>
Additions	0.25	2.50	0.47	0.37
Disposals	0.96	1.10	0.63	0.94
<b>Closing Balance</b>	<b>3.53</b>	<b>4.24</b>	<b>2.83</b>	<b>2.99</b>
<b>Depreciation</b>				
<b>Opening Balance</b>	<b>2.02</b>	<b>2.23</b>	<b>2.43</b>	<b>3.03</b>
<b>Depreciation during the year</b>	<b>1.06</b>	<b>0.83</b>	<b>0.40</b>	<b>0.29</b>
<b>Reversal</b>	<b>0.90</b>	<b>1.04</b>	<b>0.60</b>	<b>0.89</b>
<b>Closing Balance</b>	<b>2.18</b>	<b>2.02</b>	<b>2.23</b>	<b>2.43</b>
<b>Net Block</b>	<b>1.34</b>	<b>2.21</b>	<b>0.60</b>	<b>0.56</b>
<b><u>Office Equipments</u></b>				
<b>Gross Block</b>	<b>1.79</b>	<b>0.22</b>	<b>0.14</b>	<b>-</b>
Additions	2.4	1.57	0.08	0.14
Disposals		-	-	-
<b>Closing Balance</b>	<b>4.19</b>	<b>1.79</b>	<b>0.22</b>	<b>0.14</b>
<b>Depreciation</b>				
<b>Opening Balance</b>	<b>0.29</b>	<b>0.12</b>	<b>0.04</b>	<b>-</b>
<b>Depreciation during the year</b>	<b>1.03</b>	<b>0.17</b>	<b>0.07</b>	<b>0.04</b>
<b>Reversal</b>		-	-	-
<b>Closing Balance</b>	<b>1.32</b>	<b>0.29</b>	<b>0.12</b>	<b>0.04</b>
<b>Net Block</b>	<b>2.87</b>	<b>1.50</b>	<b>0.10</b>	<b>0.10</b>
<b><u>Leasehold Land &amp; Building</u></b>				
<b>Gross Block</b>	<b>599.84</b>	<b>598.99</b>	<b>598.79</b>	<b>-</b>
Additions		0.85	0.20	598.79
Disposals		-	-	-
<b>Closing Balance</b>	<b>599.84</b>	<b>599.84</b>	<b>598.99</b>	<b>598.79</b>
<b>Depreciation</b>				
<b>Opening Balance</b>	<b>137.87</b>	<b>89.46</b>	<b>35.98</b>	<b>-</b>
<b>Depreciation during the year</b>	<b>32.92</b>	<b>48.40</b>	<b>53.48</b>	<b>35.98</b>
<b>Reversal</b>		-	-	-
<b>Closing Balance</b>	<b>170.79</b>	<b>137.87</b>	<b>89.46</b>	<b>35.98</b>
<b>Net Block</b>	<b>429.05</b>	<b>461.97</b>	<b>509.52</b>	<b>562.81</b>



<b>Intangible asset</b>				
<b>Gross Block</b>	<b>2.73</b>	<b>2.73</b>	<b>2.67</b>	<b>2.67</b>
Additions			0.06	
Disposals		-	-	-
<b>Closing Balance</b>	<b>2.73</b>	<b>2.73</b>	<b>2.73</b>	<b>2.67</b>
<b>Depreciation</b>				
<b>Opening Balance</b>	<b>1.60</b>	<b>1.32</b>	<b>1.05</b>	<b>0.79</b>
<b>Depreciation during the year</b>	<b>0.20</b>	<b>0.27</b>	<b>0.27</b>	<b>0.27</b>
<b>Reversal</b>		-	-	-
<b>Closing Balance</b>	<b>1.80</b>	<b>1.60</b>	<b>1.32</b>	<b>1.05</b>
<b>Net Block</b>	<b>0.93</b>	<b>1.13</b>	<b>1.40</b>	<b>1.61</b>
Opening Gross Block	2,411.52	2,340.40	2,252.81	665.67
Total Additions	2.65	85.89	88.23	1,588.08
Total Disposals	52.00	14.78	0.63	0.94
<b>Closing Gross Block</b>	<b>2,362.17</b>	<b>2,411.52</b>	<b>2,340.40</b>	<b>2,252.81</b>
<b>Depreciation Opening Balance</b>	<b>1,017.74</b>	<b>767.08</b>	<b>479.02</b>	<b>265.57</b>
<b>Depreciation during the year</b>	<b>167.59</b>	<b>257.22</b>	<b>288.66</b>	<b>214.34</b>
<b>Reversal</b>	<b>49.39</b>	<b>6.56</b>	<b>0.60</b>	<b>0.89</b>
<b>Closing Balance Depreciation</b>	<b>1,135.94</b>	<b>1,017.74</b>	<b>767.08</b>	<b>479.02</b>
<b>Net Block</b>	<b>1,226.23</b>	<b>1,393.78</b>	<b>1,573.33</b>	<b>1,773.79</b>

1. The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the company.
2. The above statement should be read with the notes to restated Consolidated summary financial statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure and with the notes on adjustments for the Consolidated Restated Statement of the Assets and Liabilities, the Consolidated Restated Statement of Profit and Loss and the Restated of Cash Flows.

## SUICH INDUSTRIES LIMITED

### Annexure 15: Restated Statement of Consolidated Loans and advances

(Amount in Lakhs)

Particulars	As at 31st March							
	December 31, 2018		2018		2017		2016	
	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term
<b>Unsecured, considered good (unless otherwise stated)</b>								
Security deposits	4.02	-	6.55	-	11.89	-	9.82	-
Advance to Supplier (Goods)					-	-		
Advance to Directors and Related Parties			-	-	-	3.47	-	1.40
Advance against capital expenditure	108.78	-	108.78					
Balances with government authorities	-	27.53		81.14	-	14.89	-	22.32
Advances recoverable in cash or in kind or for value to be received								
MAT Credit	-	83.99	-	91.66	-	71.11	-	61.06
Prepaid Expenses	-	2.73	-	2.58	-	2.99	-	1.81
Loans & Advances	-	247.82	-	21.11	-	18.19	-	21.24
Security Deposits	-	11.56	-	11.56	-	5.00	-	1.55
	<b>112.80</b>	<b>373.63</b>	<b>115.33</b>	<b>208.05</b>	<b>11.89</b>	<b>115.65</b>	<b>9.82</b>	<b>109.38</b>

#### Notes

- i) Advances Given to Suppliers have been taken as certified by the management of the company
- ii) No Securities have been taken by the company against the advances given to the suppliers
- iii) Advance Tax and TDS as well as TCS receivable have been adjusted against the Provision for Tax

## SUICH INDUSTRIES LIMITED

### Annexure 16: Restated Statement of Consolidated Inventories

(Amount in Lakhs)

<b><u>INVENTORIES</u></b>	<b>As at 31st March</b>			
	<b>December 31, 2018</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
(As taken, valued & certified by the Management )				
i) Raw Materials (At Cost as per FIFO Method)	360.80	451.51	1,223.72	223.13
iii) Semi - Finished Goods (At Cost)	600.89	504.41	395.01	232.97
v) Finished Goods	1,732.71	1,624.13	1,148.05	1,369.43
(At lower of cost or net realisable value)				
Total	<b>2,694.40</b>	<b>2,580.05</b>	<b>2,766.78</b>	<b>1,825.54</b>

1. Inventory has been physically verified by the management of the company at the end of respective years

## SUICH INDUSTRIES LIMITED

### Annexure 17: Restated Statement of Consolidated Trade receivables

(Amount in Lakhs)

Particulars	As at 31st March			
	December 31, 2018	2018	2017	2016
<b>Outstanding for a period exceeding six months from the date they are due for payment</b>				
Unsecured, considered good From Others	432.15	923.08	169.26	13.02
Unsecured, considered doubtful				
	432.15	923.08	169.26	13.02
Less Provision for doubtful debts		-	-	-
	432.15	923.08	169.26	13.02
<b>Other debts</b>				
Unsecured, considered good From Others	6,326.45	8,612.35	2,565.59	3,962.48
Unsecured, considered good From Related Party				
	<b>6,758.60</b>	<b>9,535.43</b>	<b>2,734.85</b>	<b>3,975.49</b>

#### Notes.

- Trade Receivables as on 31st December, 2018 has been taken as certified by the management of the Company.
- As per the view of the management of the company there is no doubtful debt and hence provision for doubtful debts has not been made
- The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the company.
- The above statement should be read with the notes to restated Consolidated summary financial statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure and with the notes on adjustments for the Restated Consolidated Statement of the Assets and Liabilities, the Restated Consolidated Statement of Profit and Loss and the Restated of Cash Flows.

### Annexure 18: Restated Statement of Consolidated Cash and bank balances

(Amount in Lakhs)

Particulars	As at 31st March			
	December 31, 2018	2018	2017	2016
<b>Cash and cash equivalents</b>				
Cash on hand	140.92	42.01	20.44	94.70
Balances with banks				
- in Fixed Deposit	34.65	34.66	28.89	28.89
- in current accounts	67.17	125.38	6.54	70.53
	<b>242.74</b>	<b>202.05</b>	<b>55.87</b>	<b>194.12</b>
	<b>242.74</b>	<b>202.05</b>	<b>55.87</b>	<b>194.12</b>

- The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the company.
- The above statement should be read with the notes to restated Consolidated summary financial statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure and with the notes on adjustments for the Restated Consolidated Statement of the Assets and Liabilities, the Restated Consolidated Statement of Profit and Loss and the Restated of Cash Flows.

### Annexure 19: Restated Statement of Consolidated Other Current Assets

(Amount in Lakhs)

Particulars	As at 31st March			
	December 31, 2018	2018	2017	2016
Interest accrued but not due	9.33	7.22	12.46	7.61
	<b>9.33</b>	<b>7.22</b>	<b>12.46</b>	<b>7.61</b>

- The figures disclosed above are based on the restated Consolidated summary statement of assets and liabilities of the company.
- The above statement should be read with the notes to restated Consolidated summary financial statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure and with the notes on adjustments for the Restated Consolidated Statement of the Assets and Liabilities, the Restated Consolidated Statement of Profit and Loss and the Restated of Cash Flows.

### Annexure 20: Restated statement of Consolidated Contingent Liabilities and Commitments

(Amount in Lakhs)

Particulars	As at 31st March			
	December 31, 2018	2018	2017	2016
(A) Contingent Liabilities				
Bank Guarantees The Asst. Comm. Of Customs, ICS Tughalkabad, New Delhi	3.70	3.70	3.70	3.70
Bank guarantees The Comm. Of Customs, NHAVA SHEVA, Mumbai	14.51	14.51	14.51	14.51
Income Tax CIT-A [A.Y.2016-17]	73.26	-	-	-
Export Obligations	1,103.21	827.41	881.62	509.19
Income Tax Demand pending for A.Y. 2014-15, appeal filled with ITAT ( CIT appeal order dated 27th January, 2017)	12.68	12.68	12.68	12.68
Income Tax Demand pending for A.Y. 2015-16, appeal filled with CIT (A) (order dated 8th January, 2018)	1.78	1.78	1.78	1.78
Value Added Tax Demand pending for F.Y. 2012-13, appeal filled with adjudication before Special commissioner.	160.50	160.50	160.50	160.50
	<b>1,369.64</b>	<b>1,020.58</b>	<b>1,074.79</b>	<b>702.36</b>

## SUICH INDUSTRIES LIMITED

### Annexure 21: Restated Statement of Consolidated Revenue from Operations

(Amount in Lakhs)

Particulars	For the year ended 31 March			
	December 31, 2018	2018	2017	2016
<b>Domestic Sales</b>				
<b>Revenue from sale of products:- Mfg. (Net of Goods Return)"</b>				
Traded Goods	996.01	3,170.99	1,297.39	599.18
Manufactured Goods	13,009.72	16,337.75	12,879.00	10,046.77
Export sales	-	470.24	98.96	-
<b>Revenue from sale of products</b>	<b>14,005.73</b>	<b>19,978.97</b>	<b>14,275.35</b>	<b>10,645.95</b>

1. The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the company.

2. The above statement should be read with the notes to restated consolidated summary financial statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure and with the notes on adjustments for the Restated consolidated Statement of the Assets and Liabilities, the Restated consolidated Statement of Profit and Loss and the Restated of Cash Flows.

### Annexure 22: Restated Statement of Consolidated Other Income

(Amount in Lakhs)

Particulars	For the year ended 31 March			
	December 31, 2018	2018	2017	2016
Interest income on deposits with banks and others	2.11	2.70	3.30	3.41
Profit on sale of Fixed Assets	-	9.94	-	-
Rent Income	7.88	10.80	8.16	8.16
Foreign Exchange Gain (Realised Gain)	-	276.21	149.70	-
	<b>9.99</b>	<b>299.64</b>	<b>161.16</b>	<b>11.57</b>
<b>Profit before tax</b>	1,448.51	869.10	626.67	412.23
<b>% of other income to profit before tax</b>	1%	34%	26%	3%

#### Note:

- The classification of other income as recurring/not-recurring, related/not-related to business activity is based on the current operations and business activity of the Company as determined by the management
- The figures disclosed above are based on the restated summary statement of Profit and loss of the Company
- Sundry balances written off is relate to the same financial year

**Annexure 23: Restated Statement of Consolidated Cost of Material Consumed**

	For the period ending 31 March			
	December 31, 2018	2018	2017	2016
<b><u>COST OF MATERIALS CONSUMED</u></b>				
<b>Opening Stock (Raw Material) (A)</b>	451.51	1,223.72	223.13	397.57
<b>Purchase</b>	11,760.31	17,550.74	13,516.34	9,878.61
	12,211.82	18,774.45	13,739.47	10,276.18
Less : Closing Stock (Raw Materials)	360.80	451.51	1,223.72	223.13
<b>Cost of Material Consumed</b>	<b>11,851.02</b>	<b>18,322.94</b>	<b>12,515.75</b>	<b>10,053.05</b>
<b><u>Particulars of Materials Consumed</u></b>				
Imported ( %)	35.81%	54.82%	93.07%	72.49%
Indigenous ( %)	64.19%	45.18%	6.93%	27.51%
	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

**Annexure 24: Restated Statement of Consolidated Changes In Inventories**

**GOODS, WORK IN PROGRESS & STOCK IN TRADE**

(Amount in Lakhs)

	For the period ending 31 March			
	December 31, 2018	2018	2017	2016
<b><u>Inventories at the end of the year</u></b>				
(As taken, valued & certified by the Management)				
i) Semi - Finished Goods (At Cost)	600.89	504.41	395.01	232.97
ii) Finished Goods (At lower of cost or net realisable value)	1,732.71	1,624.13	1,148.05	1,369.43
	<b>2,333.60</b>	<b>2,128.54</b>	<b>1,543.06</b>	<b>1,602.41</b>

	For the period ending 31 March			
	December 31, 2018	2018	2017	2016
<b><u>Inventories at the beginning of the year</u></b>				
i) Semi - Finished Goods	504.41	395.01	232.97	60.36
ii) Finished Goods	1,624.13	1,148.05	1,369.43	900.30
	<b>2,128.54</b>	<b>1,543.06</b>	<b>1,602.41</b>	<b>960.65</b>
<b>Net (Increase)/Decrease</b>	<b>(205.06)</b>	<b>(585.48)</b>	<b>59.35</b>	<b>(641.75)</b>

**SUICH INDUSTRIES LIMITED**

(Amount in Lakhs)

**Annexure 25: Restated Statement of Consolidated Employee benefits Expense**

Particulars	For the period ending 31 March			
	December 31, 2018	2018	2017	2016
Salaries, wages and bonus	83.20	78.00	74.66	46.89
Director Remuneration	36.00	48.00	48.00	36.00
Contribution to provident fund and other funds	3.52	4.55	2.98	2.95
Staff welfare expenses	4.15	7.86	1.98	5.71
	<b>126.87</b>	<b>138.41</b>	<b>127.61</b>	<b>91.55</b>

**Annexure 26: Restated Statement of Consolidated Finance costs**

Particulars	For the period ending 31 March			
	December 31, 2018	2018	2017	2016
Interest on Working Capital Loan	210.12	216.11	201.17	170.27
Interest on Term Loan	33.77	64.97	97.89	94.29
Bank Charges	7.23	75.68	23.06	22.13
Other Interest	64.37	132.10	80.85	82.88
	<b>315.49</b>	<b>488.86</b>	<b>402.97</b>	<b>369.57</b>

**Annexure 27: Restated Statement of Consolidated Depreciation and Amortisation Expense**

Particulars	For the period ending 31 March			
	December 31, 2018	2018	2017	2016
Depreciation and amortisation expense (Refer Annexure 12)	167.59	257.22	288.66	214.34
	<b>167.59</b>	<b>257.22</b>	<b>288.66</b>	<b>214.34</b>

1. The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the company.
2. The above statement should be read with the notes to restated Consolidated summary financial statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure and with the notes on adjustments for the Restated Consolidated Statement of the Assets and Liabilities, the Restated Consolidated Statement of Profit and Loss and the Restated of Cash Flows.

**SUICH INDUSTRIES LIMITED**

(Amount in Lakhs)

**Annexure 28: Restated Statement of Consolidated Other expenses**

Particulars	For the period ending 31 March			
	December 31, 2018	2018	2017	2016
<b><u>Manufacturing expenses</u></b>				
Contract Labour Charges	69.32	119.83	86.53	50.90
Freight & forward Charges	-	196.03	45.27	20.85
Factory Expenses/ Rent	2.91	2.09	1.84	1.11
Repairs & Maintenance	8.47	10.46	9.38	3.59
Power & Fuel	10.68	18.05	15.45	11.67
Insurance	2.51	3.50	2.86	3.41
Job Work Charges	20.07	59.12	-	-
<b><u>Sales &amp; Administration Expenses</u></b>				
Rent, Rates and taxes	20.12	36.26	17.36	10.40
Travelling and conveyance	4.18	21.35	7.28	6.95
Communication costs	1.74	3.17	2.29	2.45
Printing and stationery	0.57	3.46	1.92	1.58
Commissions	1.57	1.47	2.09	4.62
Selling expenses	18.58	34.38	28.51	9.72
Legal and professional fees	12.54	41.36	8.79	5.07
Motor Vehicle	5.47	10.26	5.94	4.42
Net loss/(gain) on foreign currency transactions	41.69	-	-	6.05
Office and Administrative	84.96	161.65	138.25	2.47
Payment to auditor	3.33	4.44	4.03	3.20
Design & Development Charges	0.17	3.50	-	-
<b><u>Statutory payments</u></b>				
GST, Sales Tax, Service Tax	1.39	10.20	7.23	1.12
Others	1.04	46.98	30.48	8.95
	<b>311.31</b>	<b>787.56</b>	<b>415.51</b>	<b>158.53</b>

**Note: Auditor's remuneration (excluding tax)**

Particulars	For the period ending 31 March			
	December 31, 2018	2018	2017	2016
<b>As auditor</b>				
Statutory audit & Tax Audit	3.33	4.44	4.03	3.20
	<b>3.33</b>	<b>4.44</b>	<b>4.03</b>	<b>3.20</b>



## SUICH INDUSTRIES LIMITED

### Annexure 29: Restated Statement of Consolidated Related party disclosures

(Amount in Lakhs)

#### (a) Names of related parties and description of relationship:

Names of related parties	Description of relationship
1. Mr. Gunnit Singh Allagh 2. Mr. Sanchi Allagh	<b>Key Management Personnel</b>
1. M/s Delhi Mobile Mate Private Limited	<b>Associate Concerns/ Entities in which managerial personnel/relative of key managerial personnel have significant influence</b>
1 M/s Kulbir Kaur	<b>Relative of Key Management</b>
1 M/s Blue Wave Trading H. K. Limited	<b>Wholly Owned Subsidiary</b>

#### b) Transactions with related parties:

Nature of Transactions	As at and for the period ended 31 March			
	December 31, 2018	2018	2017	2016
<b><u>Transaction During The Year</u></b>				
<b><u>Directors' Remuneration (Including Bonus)</u></b>				
Mr. Gunnit Singh Allagh	18.00	24.00	24.00	18.00
Mr. Sanchit Allagh	18.00	24.00	24.00	18.00
	<b>36.00</b>	<b>48.00</b>	<b>48.00</b>	<b>36.00</b>
<b><u>Expenses Reimbursement</u></b>				
Mr. Gunnit Singh Allagh	58.67	-	6.55	-
Mr. Sanchit Allagh	35.85	-	4.63	-
	<b>94.52</b>	<b>-</b>	<b>11.18</b>	<b>-</b>
<b><u>Loan Taken</u></b>				
Mr. Gunnit Singh Allagh	-	-	100.00	-
Mr. Sanchit Allagh	-	-	100.00	-
	<b>-</b>	<b>-</b>	<b>200.00</b>	<b>-</b>
<b><u>Loan Repaid</u></b>				
Mr. Gunnit Singh Allagh	0	71.07	28.93	
Mr. Sanchit Allagh	0	62.11	37.89	
	<b>-</b>	<b>133.18</b>	<b>66.82</b>	<b>-</b>
<b><u>Advances</u></b>				
Mrs. Kulbir Kaur	-	-	2.07	0.28
Delhi Mobile Mate Private Limited	18.70	-	21.28	19.63
	<b>18.70</b>	<b>-</b>	<b>23.35</b>	<b>19.90</b>
<b><u>Transactions with Wholly Owned Subsidiary</u></b>				
<b>M/s Blue Wave trading H. K. Limited</b>				
Purchase	-	6,787.91	10,276.61	-

**SUICH INDUSTRIES LIMITED****Annexure 29: Restated Statement of Consolidated Related party disclosures****c) Balances with related parties**

Particulars	As at and for the period ended 31 March			
	December 31, 2018	2018	2017	2016
<b>Expenses</b>				
Mr. Gunnit Singh Allagh	14.40	4.39	7.58	1.28
Mr. Sanchit Allagh	14.40	3.86	0.29	0.40
<b>Loan</b>				
Mr. Gunnit Singh Allagh	-	-	(71.07)	-
Mr. Sanchit Allagh	-	-	(62.11)	-
<b>Advances</b>				
Mrs. Kulbir Kaur	-	-	2.07	1.40
M/s Delhi Mobile Mate Private Limited	18.70	-	-	-
<b>M/s Blue Wave Trading H. K. limited</b>	326.11	304.34	3,170.92	-

## SUICH INDUSTRIES LIMITED

Annexure 30: Disclosure Pursuant to Accounting Standard (AS) 15- Employee Benefits.

(Amount in Lakhs)

The following table sets out the status of the Gratuity Scheme in respect of employees of the Company:

Particulars	As at 31 March			
	December 31, 2018	2018	2017	2016
<b>Change in benefit obligation</b>				
Projected benefit obligation (PBO) at the beginning of the period /	5.16	4.14	3.56	2.53
Service cost	0.60	1.22	1.22	0.99
Interest cost	0.21	0.32	0.28	0.20
Actuarial loss/(gain)	0.00	0.00	0.00	0.00
Benefits paid	(0.21)	(0.52)	(0.92)	(0.16)
<b>PBO at the end of the period / year</b>	<b>5.76</b>	<b>5.16</b>	<b>4.14</b>	<b>3.56</b>
Net liability as at period / year end recognised	5.76	5.16	4.14	3.56
<b>Net gratuity cost comprises*:</b>				
Service cost	0.60	1.22	1.22	0.99
Interest cost	0.21	0.32	0.28	0.20
Recognised net actuarial loss/ (gain)	(0.21)	(0.52)	(0.92)	(0.16)
<b>Net gratuity costs</b>	<b>0.60</b>	<b>1.02</b>	<b>0.58</b>	<b>1.03</b>

\* These expenses have been recognised under Annexure 23

The actuarial assumptions used in accounting for the gratuity plan were as follows:

Discount rate	7.75%	7.75%	7.75%	7.75%
Rate of increase in compensation levels	7.00%	7.00%	7.00%	7.00%
Mortality rate	IALM Mortality- Tables (2006- 08) Ultimate	IALM Mortality- Tables (2006- 08) Ultimate	IALM Mortality- Tables (2006-08) Ultimate	IALM Mortality- Tables (2006- 08) Ultimate
Retirement age	58 years	58 years	58 years	58 years

Details of present value of obligation, plan assets and experience adjustments:

Particulars	As at 31 March			
	December 31, 2018	2018	2017	2016
Present value of obligation	5.76	5.16	4.14	3.56
Fair value of plan assets	-	-	-	-
Deficit	5.76	5.16	4.14	3.56
<b>Experience adjustments:</b>				
On plan liabilities:- (gain) / loss				
On plan assets:- gain / (loss)		-	-	-

**SUICH INDUSTRIES LIMITED**

(Amount in Lakhs)

**Annexure 31 :- Restated Statement of Consolidated Other Financial Information**

Sr. no.	Particulars	As at and for the year ended 31 March			
		December 31, 2018	2018	2017	2016
A	Net worth, as restated (Rs)	5,172.95	4,027.38	3,284.57	2,752.04
B	Profit after tax, as restated (Rs)	1,148.18	742.92	532.51	300.52
C	<b>Earning Before Interest, Tax, Depreciation (EBITDA)</b>				
	Restated Profit After Tax	1,148.18	742.92	532.51	300.52
	Add : Finance Costs	315.49	488.86	402.97	369.57
	Add : Income Tax	300.33	126.18	94.16	111.71
	Add : Depreciation	167.59	257.22	288.66	214.34
	<b>Earning Before Interest, Tax, Depreciation (EBITDA)</b>	<b>1,931.59</b>	<b>1,615.18</b>	<b>1,318.30</b>	<b>996.14</b>
	<b>Weighted average number of equity shares outstanding during the period/ year</b>				
D	For Basic earnings per share	111.29	111.29	111.29	111.29
E	For Diluted earnings per share	111.29	111.29	111.29	111.29
	<b>Earnings per share</b>				
F	Basic earnings per share (Rs)(B/C)	10.32	6.68	4.78	2.70
G	Diluted earnings per share (Rs)(B/D)	10.32	6.68	4.78	2.70
H	<b>Return on Net Worth (%) (B/A*100)</b>	22.20%	18.45%	16.21%	10.92%
I	Number of shares outstanding at the end of the period/ year	111.29	111.29	111.29	111.29
K	<b>Net asset value per equity share of Rs 10 each (A/H)</b>	<b>46.48</b>	<b>36.19</b>	<b>29.51</b>	<b>24.73</b>
L	Face value of equity shares (Rs)	10.00	10.00	10.00	10.00

**Notes :-**

1) The ratios have been computed in the following manner :

a) Basic and Diluted earnings per share (Rs)

$$\frac{\text{Restated Profit after tax attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the year}}$$

b) Return on net worth (%) =

$$\frac{\text{Restated Net Worth as at year end}}{\text{Restated Net worth as at year end}}$$

c) Net asset value per share (₹)

$$\frac{\text{Restated Net Worth as at year end}}{\text{Total number of equity shares as at year end}}$$

2) EBITDA represents earnings (or profit/ (loss)) before finance costs, income taxes, and depreciation and amortization expenses.

3) The figures disclosed above are based on the Restated Financial Information of the Company.

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

5) Net worth for the ratios represents sum of share capital and reserves and surplus (share premium and surplus in the Restated Summary Statement of Profit and Loss).

6) The above statement should be read with the Statement of Notes to the Restated Financial Information of the Company in Annexure 4.

## SUICH INDUSTRIES LIMITED

### Annexure 32:- Restated Statement of Consolidated Capitalisation

(Amount in Lakhs)

Particulars	Pre Issue as at 31st December 2018	Post Issue
<b>Borrowings</b>		
Short- term	2,774.08	•
Long- term(A) (including current maturities)	669.68	•
<b>Total Borrowings (B)</b>	<b>3,443.76</b>	
<b>Shareholders' funds</b>		
Share capital	1,112.90	•
Reserves and surplus	4,060.05	•
<b>Total Shareholders' funds (C)</b>	<b>5,172.95</b>	•
<b>Long- term borrowings/ equity* {(A)/(C)}</b>	<b>0.13</b>	•
<b>Total borrowings / equity* {(B)/(C)}</b>	<b>0.67</b>	•

\* equity= total shareholders' funds

#### Notes:

- 1 Short-term borrowings implies borrowings repayable within 12 months from the Balance Sheet date. Long-term borrowings are debts other than short-term borrowings and includes the current maturities
  - 2 The above ratios have been computed on the basis of the Restated Consolidated Summary Statement of Assets and Liabilities of the Company.
  - 3 The above statement should be read with the Statement of Notes to the Restated Consolidated Financial
- The corresponding post issue figures will be calculated on finalisation of issue price and the number of shares on conclusion of the book building process.

*(This space has been left blank intentionally)*

## SUICH INDUSTRIES LIMITED

### Annexure 33 :- Restated Statement of Consolidated Segment Reporting

#### (i) Primary (Business) Segment

(a) The Business segment has been considered as a primary segment.

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

(c) The Company's primary business comprises of Mobile phone battery, Mobile Phone, Mobile Charger, LED TV and other mobile accessories and since it is the only reportable segment as envisaged in Accounting Standard 17 "Segment Reporting" Accordingly, no separate disclosure for segment reporting is required to be made in the financial statements of the company.

#### 2. Geographical Segment

The Company's secondary segments are the geographic distribution of activities. Revenue and receivables are specified by location of customers while the other geographic information is specified by location of the assets. The following tables present revenue, expenditure and certain asset information regarding the company's geographical segments.

(Amount in Lakhs)				
	December 31, 2018	2018	2017	2016
	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹
<b>Segment Revenue</b>				
India	13,519.98	17,052.40	13,479.63	10,645.70
Asia (other than India)	485.75	2,926.58	795.72	0.25
		-	-	-
<b>Total Revenue</b>	<b>14,005.73</b>	<b>19,978.97</b>	<b>14,275.35</b>	<b>10,645.95</b>
<b>Segment Assets</b>				
India	10,570.40	12,713.37	7,141.64	7,423.32
Asia (other than India)	847.58	1,328.78	129.05	472.27
		-	-	-
<b>Total Assets</b>	<b>11,417.98</b>	<b>14,042.15</b>	<b>7,270.69</b>	<b>7,895.59</b>
<b>Segment Liabilities</b>				
India	5,982.16	8,518.07	374.89	897.63
Asia (other than India)	262.87	1,496.71	3,611.24	4,245.91
		-	-	-
<b>Total Liabilities</b>	<b>6,245.03</b>	<b>10,014.78</b>	<b>3,986.13</b>	<b>5,143.54</b>
<b>Capital Expenditure</b>				
India	1,226.53	1,286.01	1,540.45	775.72
Asia (other than India)				1,001.97
		-	-	-
<b>Total Expenditure</b>	<b>1,226.53</b>	<b>1,286.01</b>	<b>1,540.45</b>	<b>1,777.69</b>

## **OTHER FINANCIAL INFORMATION**

For Details on other financial information please refer to “Annexure – 31 Restated Statement of Consolidated Other Financial Information” on page F35, under the chapter titled ‘Financial Statements as Restated’ beginning on page 149 of this Red Herring Prospectus.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULT OF OPERATION

You should read the following discussion of our financial position and results of operations together with our Restated Consolidated Financial Statements which have been included in this Red Herring Prospectus. The following discussion and analysis of our financial position and results of operations is based on our Restated Consolidated Financial Statements for the period ended December 31, 2018 and for the years ended March 31, 2018, 2017 and 2016 including the related notes and reports, included in this Red Herring Prospectus prepared in accordance with requirements of the Companies Act and restated in accordance with the SEBI Regulations, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Financial Statements, as restated have been derived from our audited financial statements for the respective years. Accordingly, the degree to which our Restated Consolidated Financial Statements will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Indian GAAP, Companies Act, SEBI Regulations and other relevant accounting practices in India.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under "Risk Factors" and "Forward Looking Statements" beginning on pages 23 and 17, respectively, and elsewhere in this Red Herring Prospectus.

Our Financial Year ends on March 31 of each year. Accordingly, all references to a particular Financial Year are to the 12 months ended March 31 of that year.

### SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL PERIOD

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this Red Herring Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months.

### FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled "Risk Factors" beginning on page 23 of this Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- General economic and business conditions;
- Changes in laws and regulations that apply to the industry in which operate;
- Competition from existing and new entrants;
- Cost and availability of raw material, parts and equipment's;
- Technological changes; and
- Currency fluctuation

### SIGNIFICANT ACCOUNTING POLICIES

#### A. PRINCIPLES OF CONSOLIDATION

A. The consolidated financial statements relate to Suich Industries Limited ("the Holding Company") and its wholly owned subsidiary Blue Wave Trading H K Limited. The Company and its Subsidiary constitute the group

B. Name of subsidiary and the company's effective holding thereon as on December 31, 2018

Sr. No.	Name of the Entity	Country of Incorporation	Effective ownership in % either	directly or through subsidiaries
1	Blue Wave Trading H K Limited	Hong Kong, China	100%	Subsidiaries

C. The financial statements of the company and its subsidiary company are combined on a line-by-line basis by adding together the book values of like items of assets, Liabilities, income and expenses, after fully



eliminating intra-group transactions in accordance with Accounting Standard (AS 21 - "Consolidated Financial Statements").

- D. The excess of the cost to the parent of its investments in a subsidiary over the parent's portion of equity at the date on which investment in the subsidiary is made, is recognized as 'Goodwill (on consolidation)'. When the cost to the parent of its investment in a subsidiary is less than the parent's portion of equity of the subsidiary at the date on which investment in a subsidiary is made, the difference is treated as 'Capital Reserve (on consolidation)' in the consolidated financial statements.
- E. Minority Interest in the net assets of consolidated subsidiary consists of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary company are made.

#### **B. Basis of preparation of Consolidated financial statements:**

The consolidated restated summary statement of assets and liabilities of the Company as at December 31 2018, March 31, 2018, 2017 and 2016 and the related consolidated restated summary statement of profits and loss for the period/year ended December 31, 2018, March 31, 2018, 2017 and 2016 and consolidated restated cash flow for the period/years ended December 31, 2018, March 31, 2018, 2017 and 2016 (herein collectively referred to as 'Consolidated restated Summary Statements') have been compiled by the management from the audited financial statements of the Company for the period/years ended on December 31 2018, March 31, 2018, 2017 and 2016 approved by the Board of Directors of the Company. Consolidated restated Summary Statements have been prepared to comply in all material respects with the provisions of Part I of Chapter III of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("the SEBI Guidelines") issued by SEBI and Guidance note on Reports in Companies Prospectus (Revised). Consolidated restated Summary Statements have been prepared specifically for inclusion in the offer document to be filed by the Company with the BSE in connection with its proposed Initial public offering of equity shares.

#### **C. Use of estimates**

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

#### **D. Fixed Assets**

##### **(i) Tangible Assets**

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

##### **(ii) Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

#### **E. Depreciation, Amortisation and Depletion**

##### **(i) Tangible Assets**

Depreciation is provided based on useful life of asset as prescribed in schedule II of Companies Act 2013 except non charging of 100% depreciation on assets costing below Rs. 5000/-. The carrying amount as on April 1st, 2014 is depreciated over the balance useful life of asset. Depreciation on additions to the assets and the assets sold or disposed of, during the year is provided on pro-rata basis, at their respective useful life or rate of depreciation as prescribed with reference to the date of acquisition/ installation or date of sale/ disposal.

##### **(ii) Intangible assets**

The Management estimates the useful lives for the fixed assets as per Schedule II to the Companies Act, 2013.

#### **F. Impairment**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Statement in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in estimate of recoverable amount.

#### **G. Leases**

Lease under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets acquired are capitalized at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payment under operating leases are recognised as an expense on a straight line basis in the statement of profit and loss over the lease term.

#### **H. Borrowing Assets**

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessary takes substantial period of time to get ready for intended use. All other borrowing costs are charged to the Profit and Loss Statement in the period in which they are incurred.

#### **I. Investments**

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

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

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

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

#### **J. Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized

(i) Sale of Goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. Revenue from operations is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

(ii) 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.

(iii) Dividends

Dividend income is recognized when the company's right to receive dividend is established by the reporting date.

#### **K. Segment Reporting**

##### **Primary (Business) Segment**

- (a) The Business segment has been considered as a primary segment.
- (b) The Company's primary business segments are reflected based on principal business activities, the nature of service, the differing risk & returns, the organization structure and the internal financial reporting system.

- (c) The Company's primary business comprises of Mobile phone battery, Mobile Phone, Mobile Charger, LED TV and other mobile accessories and since it is the only reportable segment as envisaged in Accounting Standard 17 "Segment Reporting" Accordingly, no separate disclosure for segment reporting is required to be made in the financial statements of the company.

### **Geographical Segment**

The Company's secondary segments are the geographic distribution of activities. Revenue and receivables are specified by location of customers while the other geographic information is specified by location of the assets. The following tables present revenue, expenditure and certain asset information regarding the company's geographical segments.

### **L. Foreign currency translation**

#### **Initial Recognition**

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.

#### **Exchange Difference**

Exchange differences arising on the settlement of monetary items, or on reporting such monetary items of company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

### **M. Employee Benefits**

The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The company has no obligation, other than the contribution payable to the provident fund.

The company operates one defined benefit plan for its employees, viz., gratuity. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out for plan using the projected unit credit method. Actuarial gains and losses for defined benefit plan are recognized in full in the period in which they occur in the statement of profit and loss.

### **N. Income Tax**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-Tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized

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

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement".

### **O. Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

#### **P. Contingent Liabilities and Contingent Assets**

A provision is recognized when the company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the consolidated financial statements.

### **OVERVIEW OF REVENUE AND EXPENSES**

#### **Revenue and Expenses**

Our revenue and expenses are reported in the following manner:

##### ***Total Revenue***

Our Total Revenue comprises of revenue from operations and other income.

*Revenue from operations:* Our revenue from operations comprises of revenue from Manufacture and trading of consumer electronics products viz., mobile battery, power bank, mobile phones, mobile chargers, TV sets and other accessories.

*Other Income:* Our other income comprises of profit on foreign exchange transaction, interest income on term deposit, interest on security deposit, rent income and profit on sale of fixed assets.

##### ***Expenses***

Our expenses comprise of cost of material consumed & purchase of stock-in-trade, Changes in inventories of finished goods and work in progress, employee benefit expenses, finance costs, depreciation and amortisation expenses and other expenses.

*Cost of material consumed & purchase of stock-in-trade:* Cost of material consumed & purchase of stock-in-trade primarily consists of cost of battery cases, chips, nickel-ferro strip pin, plastic cases, middle and back cover, Connector, PCB, camera, display, Mic, bluetooth wiring, flash, LED display, LED backlight panels, etc.

*Changes in inventories of finished goods and work in progress:* Changes in inventories of finished goods and work in progress consist of changes in our inventory of finished goods and work in progress as at the beginning and end of the year.

*Employee benefit expense:* Our employee benefit expenses include salary, wages & bonus, remuneration to director, contribution to provident and other funds and staff welfare expenses.

*Finance costs:* Our finance costs comprise of interest on term borrowings, interest on working capital loan and interest paid to others. It also includes other borrowing costs.

*Depreciation and amortisation expenses:* Depreciation and amortisation expenses comprise of depreciation on tangible fixed assets and amortisation of intangible assets.

*Other expenses:* Our other expenses majorly consist of contract labour charges, freight & forward charges, factory expenses/ rent expense, repairs & maintenance expense, power & fuel expense, job work charges, rent, rates and taxes, travelling and conveyance, printing and stationery expense, insurance expenses, selling expenses, legal and professional fees, motor vehicle expense, office and administrative expense, payment to auditor, communication expenses, commission expenses, loss in foreign currency transaction, research & development charges, indirect taxes and other expense.

#### **Our Results of Operations**

The following table sets forth select financial data from our restated consolidated financial statement of profit and loss for the period ended December 31, 2018 and for the financial years ended March 31, 2018, 2017 and 2016 the components of which are also expressed as a percentage of total revenue for such periods:

*(Rs. in Lakhs)*

Particulars	For the Period Ended December 31, 2018	For the Year Ended March 31,		
		2018	2017	2016
<b>Total Revenue:</b>				
Revenue from operations	14,005.73	19,978.97	14,275.35	10,645.95
As a % of Total Revenue	99.93%	98.52%	98.88%	99.89%
Other income	9.99	299.64	161.16	11.57
As a % of Total Revenue	0.07%	1.48%	1.12%	0.11%
<b>Total Revenue</b>	<b>14,015.72</b>	<b>20,278.61</b>	<b>14,436.51</b>	<b>10,657.52</b>
<b>Expenses:</b>				
Cost of material consumed	11,851.02	18,322.94	12,515.75	10,053.05
As a % of Total Revenue	84.56%	90.36%	86.70%	94.33%
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	(205.06)	(585.48)	59.35	(641.75)
As a % of Total Revenue	(1.46)%	(2.89%)	0.41%	(6.02)%
Employee benefit expenses	126.87	138.41	127.61	91.55
As a % of Total Revenue	0.91%	0.68%	0.88%	0.86%
Finance costs	315.49	488.86	402.97	369.57
As a % of Total Revenue	2.25%	2.41%	2.79%	3.47%
Depreciation and amortization expense	167.59	257.22	288.66	214.34
As a % of Total Revenue	1.20%	1.27%	2.00%	2.01%
Other expenses	311.31	787.56	415.51	158.53
As a % of Total Revenue	2.22%	3.88%	2.88%	1.49%
<b>Total Expenses</b>	<b>12,567.21</b>	<b>19,409.52</b>	<b>13,809.84</b>	<b>10,245.29</b>
As a % of Total Revenue	89.67%	95.71%	95.66%	96.13%
<b>Profit before exceptional, extraordinary items and tax</b>	<b>1,448.51</b>	<b>869.10</b>	<b>626.67</b>	<b>412.23</b>
As a % of Total Revenue	<b>10.33%</b>	4.29%	4.34%	3.87%
Exceptional items	-	-	-	-
<b>Profit before extraordinary items and tax</b>	<b>1,448.51</b>	<b>869.10</b>	<b>626.67</b>	<b>412.23</b>
As a % of Total Revenue	<b>10.33%</b>	4.29%	4.34%	3.87%
Extraordinary items	-	-	-	-
<b>Profit before tax</b>	<b>1,448.51</b>	<b>869.10</b>	<b>626.67</b>	<b>412.23</b>
<b>PBT Margin</b>	<b>10.33%</b>	4.29%	<b>4.34%</b>	<b>3.87%</b>
Tax expense :				
(i) Current tax	304.10	170.05	122.37	84.53
(ii) Deferred tax (Credit)	(3.77)	(23.31)	(18.50)	77.72
(iii) MAT Credit	-	(20.55)	(9.71)	(50.54)
<b>Total Tax Expense</b>	<b>300.33</b>	<b>126.18</b>	<b>94.16</b>	<b>111.71</b>
<b>% of total income</b>	<b>2.14%</b>	<b>0.62%</b>	<b>0.65%</b>	<b>1.05%</b>
<b>Profit for the year/ period</b>	<b>1,148.18</b>	<b>742.92</b>	<b>532.51</b>	<b>300.52</b>

Particulars	For the Period Ended December 31, 2018	For the Year Ended March 31,		
		2018	2017	2016
PAT Margin	8.19%	3.66%	3.69%	2.82%

## Discussion on the Results of Operations

### Nine months ended December 31, 2018

#### *Revenue from operations:*

Our revenue from operations was Rs. 14,005.73 lakhs which was 99.93% of the total revenue for the period of nine months ended December 31, 2018. The revenue from operations consisted of revenue of Rs. 13,009.72 lakhs from sale of manufactured product and revenue of Rs. 996.01 lakhs from sale of traded goods.

#### *Other income:*

Our other income was Rs 9.99 lakhs which was 0.07% of our total revenue for the period of nine months ended December 31, 2018. Our other income comprised mainly of interest income on deposits with bank of Rs. 2.11 lakhs and rent income of Rs 7.88 lakhs.

### **Expenses**

Our total expenses, excluding to tax amounted to Rs. 12,567.21 lakhs for the period of nine months ended December 31, 2018 which were 89.67 % of our total revenue.

#### *Cost of material consumed & purchase of stock-in-trade:*

Our cost of material consumed & purchase of stock-in-trade was Rs. 11,851.02 lakhs which was 84.56 % of the total revenue for the period of nine months ended December 31, 2018. Our cost of material consumed & purchase of stock-in-trade was primarily attributable to purchase of battery cases, chips, nickel-ferro strip pin, plastic cases, middle and back cover, Connector, PCB, camera, display, Mic, bluetooth wiring, flash, LED display, LED backlight panels, etc.

Change in inventory of finished goods and work in progress: Our inventory of finished goods and work in progress changed was Rs. (205.06) lakhs for the period of nine months ended December 31, 2018 which was (1.46)% of our total revenue for the period of nine months ended December 31, 2018.

#### *Employee benefits expense:*

Our employee benefits expense was Rs 126.87 lakhs which was 0.91 % of our total revenue for the period of nine months ended December 31, 2018. Our employee benefit expenses primarily comprised of salary, wages & bonus of Rs. 83.20 lakhs, directors remuneration of Rs. 36.00 lakhs, contribution to provident fund & other funds of Rs. 3.52 lakhs and staff welfare expenses of Rs. 4.15 lakhs.

#### *Finance Costs:*

Our finance costs was Rs. 315.49 lakhs which was 2.25% of our total revenue for the period of nine months ended December 31, 2018 which majorly comprises of interest expense of Rs. 308.26 lakhs and other bank charges of Rs. 7.23 lakhs.

#### *Depreciation and amortization:*

Our depreciation and amortization expenses were Rs 167.59 lakhs which was 1.20 % of our total revenue for the period of nine months ended December 31, 2018 and mainly includes depreciation on tangible assets and amortization of intangible assets.

#### *Other Expenses:*

Our other expenses was Rs 311.31 lakhs which was 2.22 % of our total revenue for the period of nine months ended December 31, 2018 which primarily consisting of office and administrative expenses of Rs. 84.96 lakhs, contract labour charges of Rs. 69.32 lakhs, loss on foreign currency transactions of Rs. 41.69 lakhs, rent, rates and taxes of Rs. 20.12 lakhs, job work charges of Rs. 20.07 lakhs, selling expenses of Rs. 18.58 lakhs, legal and professional fees of Rs. 12.54 lakhs, power & fuel expenses of Rs. 10.68 lakhs, repairs & maintenance expenses

of Rs. 8.47 lakhs, motor vehicle expenses of Rs. 5.47 lakhs, travelling and conveyance expenses of Rs. 4.18 lakhs, payment to auditor of Rs. 3.33 lakhs, factory expenses/ rent expenses of Rs. 2.91 lakhs, insurance expenses of Rs. 2.51 lakhs, communication costs of Rs. 1.74 lakhs, commissions expenses of Rs. 1.57 lakhs, indirect taxes of Rs. 1.39 lakhs, others expenses of Rs. 1.04 lakhs, printing and stationery expenses of Rs. 0.57 lakh, design & development charges of Rs. 0.17 lakh.

*Profit before tax:*

Our Profit before tax was Rs. 1,448.51 lakhs which was 10.33% of our total revenue for the period of nine months ended December 31, 2018.

*Tax expense*

Our taxation expense for the period of nine months ended December 31, 2018 was Rs. 300.33 lakhs which was 2.14 % of our total revenue for the period of nine months ended December 31, 2018. It comprised of current taxation of Rs. 304.10 lakhs which was partially set off by deferred tax credit of Rs. 3.77 lakhs.

*Profit after tax*

Due to the above mentioned reasons, our Net profit after tax was Rs. 1,148.18 lakhs which was 8.19% of our total revenue for the period of nine months ended December 31, 2018.

**FINANCIAL YEAR 2017-18 COMPARED WITH FINANCIAL YEAR 2016-17**

***Total Revenue***

Our total revenue increased by 40.47 % to Rs. 20,278.61 lakhs for the financial year 2017-18 from Rs. 14,436.51 lakhs for the financial year 2016-17 due to the factors described below:

*Revenue from operations:* Our revenue from operations increased by 39.95 % to Rs. 19,978.97 lakhs for the financial year 2017-18 from Rs. 14,275.35 lakhs for the financial year 2016-17 mainly due to increase in our revenue from domestic and export sale of our manufactured and trading products. Our export revenue increased by 375.19 % to Rs 470.24 lakhs in the financial year 2017-18 from Rs 98.96 lakhs in the financial year 2016-17. Our revenue from domestic sales increase by 37.61% to Rs 19,508.74 lakhs in the financial year 2017-18 from Rs 14,176.39 lakhs in the financial year 2016-17. The increase in export and domestic sale was due to expansion of product range and positive market response in mobile phone battery, including power bank, mobile phone charger and mobile phones in both market.

*Other income:* Our other income increased by 85.93% to Rs. 299.64 lakhs for the financial year 2017-18 from Rs.161.16 lakhs for the financial year 2016-17 mainly because of increase in profit on foreign exchange transaction by Rs 126.50 lakhs, increase in interest income on fixed deposit by Rs 1.83 lakhs, increase in rent income by Rs 2.64 lakhs and increase in profit on sale of fixed assets by Rs 9.94 lakhs. However, this increase was partially offset by decrease in interest income on security deposit by Rs 2.43 lakhs.

***Total Expenses***

Our total expenses increased by 40.55 % to Rs. 19,409.52 lakhs for the financial year 2017-18 from Rs. 13,809.84 lakhs for the financial year 2016-17, due to the factors described below:

*Cost of material consumed & purchase of stock-in-trade:* Our cost of material consumed & purchase of stock-in-trade for the year ended March 31, 2018 was Rs. 18,322.94 lakhs which has increased by 46.40% as compared to Rs. 12,515.75 lakhs in financial year 2016-17. Our Cost of material consumed & purchase of stock-in-trade constituted 91.71% of our total revenue from the operations for the year ended March 31, 2018. Increase in our cost of material consumed & purchase of stock-in-trade was primarily due to increase in production of LED TV and mobile phone.

*Change in inventory of finished goods and work in progress:* Our inventory of finished goods and work in progress changed by 1086.53 % to Rs. (595.48) lakhs for the financial year 2017-18 from Rs. 59.35 lakhs for the financial year 2016-17 which was due to higher level of closing stock of finished goods and work in progress at the end of the year.

*Employee benefits expenses:* Our employee benefit expenses increased by 8.46 % to Rs. 138.41 lakhs for the financial year 2017-18 from Rs. 127.61 lakhs for the financial year 2016-17. The increase was mainly due to

increase in salary, wages and bonus by Rs 3.34 lakhs, contribution to PF and other funds by Rs. 1.58 lakhs and increase in staff welfare expenses by Rs 5.88 lakhs.

*Finance costs:* Our finance costs increased by 21.31 % to Rs. 488.86 lakhs for the financial year 2017-18 from Rs. 402.97 lakhs for the financial year 2016-17. Increase in our finance cost was primarily due to increase in our interest expense on working capital loan by Rs 14.94 lakhs, increase in other interest expense by Rs 51.25 lakhs and increase in bank charges by Rs 52.62 lakhs. However, this increase was offset by decrease in interest expense on term loan by Rs 32.93 lakhs. The increase in our other bank charges was due to increase in loan processing fees expense.

*Depreciation and amortization expense:* Our depreciation and amortization expense decreased by 10.89 % to Rs. 257.22 lakhs for the financial year 2017-18 from Rs. 288.66 lakhs for the financial year 2016-17.

*Other expenses:* Our other expenses increased by 89.54 % to Rs. 787.56 lakhs for the financial year 2017-18 from Rs. 415.51 lakhs for the financial year 2016-17. The increase was mainly due to increase in contract labour charges by Rs 33.30 lakhs, freight & forward charges by Rs 150.76 lakhs, factory expenses/ rent expenses by Rs 0.25 lakh, repairs & maintenance expenses by Rs 1.08 lakhs power & fuel expenses by Rs 2.60 lakhs, insurance expenses by Rs 0.63 lakh, job work charges by Rs 59.12 lakhs, rent, rates and taxes expenses by Rs 18.90 lakhs, travelling and conveyance expenses by Rs 14.07 lakhs, communication costs by Rs 0.89 lakh, printing and stationery expenses by Rs 1.54 lakhs, selling expenses by Rs 5.87 lakhs, legal and professional fees by Rs 32.57 lakhs, motor vehicle expenses by Rs 4.31 lakhs, office and administrator expenses by Rs 23.40 lakhs, payment to auditors by Rs. 0.41 lakh, research and development expenses by Rs 3.50 lakhs, indirect tax by Rs 2.98 lakhs and other expenses by Rs 16.51 lakhs. However this increase was offset by decrease in commission expense by Rs 0.62 lakh.

*Profit before tax:* Our profit before tax increased by 38.69 % to Rs. 869.10 lakhs for the financial year 2017-18 from Rs. 626.67 lakhs for the financial year 2016-17. The increase was mainly due to increase in our sales.

*Tax expenses:* Our tax expenses increased by 34.00 % to Rs. 126.18 lakhs for the financial year 2017-18 from Rs. 94.16 lakhs for the financial year 2016-17 mainly due to increase in our current tax expense by Rs. 47.68 lakhs and decrease in deferred tax benefits by Rs. 4.81 lakhs. However this increase was partially offset by increase in MAT credit entitlement by Rs 10.85 lakhs in the financial year 2017-18.

*Profit after tax:* Due to reasons mentioned above, our profit after tax increased by 39.51 % to Rs. 742.92 lakhs for the financial year 2017-18 from Rs. 532.51 lakhs for the financial year 2016-17.

## **FINANCIAL YEAR 2016-17 COMPARED WITH FINANCIAL YEAR 2015-16**

### ***Total Revenue***

Our total revenue increased by 35.46 % to Rs. 14,436.51 lakhs for the financial year 2016-17 from Rs. 10,657.52 lakhs for the financial year 2015-16 due to the factors described below:

*Revenue from operations:* Our revenue from operations increased by 34.09 % to Rs. 14,275.35 lakhs for the financial year 2016-17 from Rs. 10,645.95 lakhs for the financial year 2015-16 mainly due to increase in our revenue from domestic and export sale of our manufactured and trading products. Our export revenue increased to Rs 98.96 lakhs in the financial year 2016-17 from nil in the financial year 2015-16. Our revenue from domestic sales increase by 33.16 % to Rs 14,176.39 lakhs in the financial year 2016-17 from Rs 10,645.95 lakhs in the financial year 2015-16. The increase in domestic sale was due to expansion of product range.

*Other income:* Our other income increased by 1293.03 % to Rs. 161.16 lakhs for the financial year 2016-17 from Rs. 11.57 lakhs for the financial year 2015-16 mainly because of increase in profit on foreign exchange transaction by Rs 149.70 lakhs, increase in interest income on security deposit by Rs 2.43 lakhs. However, this increase was partially offset by decrease in interest on fixed deposit by Rs 2.54 lakhs. Decrease in interest income on term deposit was primarily due to increase in rate of interest.

### ***Total Expenses***

Our total expenses increased by 34.79% to Rs. 13,809.84 lakhs for the financial year 2016-17 from Rs. 10,245.29 lakhs for the financial year 2015-16, due to the factors described below:

*Cost of material consumed & purchase of stock-in-trade:* Our cost of material consumed & purchase of stock-in-trade for the year ended March 31, 2017 was Rs. 12,515.75 lakhs which has increased by 24.50 % as compared



to Rs.10,053.05 lakhs in financial year 2015-16. Our Cost of material consumed & purchase of stock-in-trade constituted 87.67 % of our total revenue from the operations for the year ended March 31, 2017. Increase in cost of material consumed & purchase of stock-in-trade was due to increase in production of LED TV and Mobile Phone.

*Change in inventory of finished goods and work in progress:* Our inventory of finished goods and work in progress changed by (109.25) % to Rs. 59.35 lakhs for the financial year 2016-17 from Rs. (641.75) lakhs for the financial year 2015-16.

*Employee benefits expenses:* Our employee benefit expenses increased by 39.39 % to Rs. 127.61 lakhs for the financial year 2016-17 from Rs. 91.55 lakhs for the financial year 2015-16. The increase was mainly due to increase in salary, wages and bonus by Rs 27.77 lakhs, directors' remuneration by Rs 12.00 lakhs in the financial year 2016-17. However, this increase was offset by decrease in staff welfare expenses by Rs 3.73 lakhs and decrease in contribution to provident and other funds by Rs 0.03 lakhs in the financial year 2016-17.

*Finance costs:* Our finance costs increased by 9.04 % to Rs. 402.97 lakhs for the financial year 2016-17 from Rs. 369.57 lakhs for the financial year 2015-16. Increase in our finance cost was primarily due to increase in our interest expense on working capital loan by Rs 30.90 lakhs, increase in interest expenses on term loan by Rs 3.60 lakhs and increase in bank charges by Rs 0.93 lakhs. However, this increase was partially offset by decrease in other interest expense by Rs 2.03 lakhs. Increase in our interest expenses on working capital loan was due to increase in short term borrowings. Our short term borrowing was Rs 1596.84 lakhs as on March 31, 2017 as compared to Rs 1465.05 lakhs as on March 31, 2016.

*Depreciation and amortization expense:* Our depreciation and amortization expense increased by 34.67 % to Rs. 288.66 lakhs for the financial year 2016-17 from Rs. 214.34 lakhs for the financial year 2015-16.

*Other expenses:* Our other expenses increased by 162.10 % to Rs. 415.51 lakhs for the financial year 2016-17 from Rs. 158.53 lakhs for the financial year 2015-16. The increase was mainly due to increase in contract labour charges by Rs 35.63 lakhs, freight & forward charges by Rs 24.42 lakhs, factory expenses/ rent expense by Rs 0.73 lakhs, repairs & maintenance expense by Rs 5.79 lakhs, power & fuel expense by Rs 3.78 lakhs, rent, rates and taxes expense by Rs 6.96 lakhs, travelling and conveyance expense by Rs 0.33 lakhs, printing and stationery expense by Rs 0.34 lakhs, selling expenses by Rs 21.15 lakhs, legal and professional fees by Rs 3.72 lakhs, motor vehicle expense by Rs 1.52 lakhs, office and administrative expense by Rs 133.43 lakhs, payment to auditors by Rs. 0.83 lakh, indirect taxes by Rs 6.11 lakhs and other expense by Rs 21.52 lakhs in the financial year 2016-17. However this increase was partially offset by decrease in loss in foreign currency transaction by Rs 6.05 lakhs, commission expenses by Rs 2.53 lakhs, insurance expenses by Rs 0.55 lakhs and communication expenses by Rs 0.16 lakhs.

*Profit before tax:* Our profit before tax increased by 52.02 % to Rs. 626.67 lakhs for the financial year 2016-17 from Rs. 412.23 lakhs for the financial year 2015-16. The increase was mainly due to increase in sale.

*Tax expenses:* Our tax expenses decreased by 15.71 % to Rs. 94.16 lakhs for the financial year 2016-17 from Rs. 111.71 lakhs for the financial year 2015-16 mainly due to increase in deferred tax benefits by Rs. 59.22 lakhs. However, the increase in our tax expenses was partially offset by increase in our current tax expense by Rs. 37.84 lakhs, and decrease in MAT credit entitlement by Rs 40.83 lakhs in the financial year 2016-17.

*Profit after tax:* Due to reasons mentioned above, our profit after tax increased by 77.20 % to Rs. 532.51 lakhs for the financial year 2016-17 from Rs. 300.52 lakhs for the financial year 2015-16.

#### **Other Key Ratios**

The table below summaries key ratios in our Restated Consolidated Financial Statements for the financial years ended March 31, 2018, 2017 and 2016 and for the period ended December 31, 2018:

Particulars	For the Period Ended December 31, 2018	For the year ended March 31,		
		2018	2017	2016
Fixed Asset Turnover Ratio	11.43	14.35	9.08	6.01
Debt Equity Ratio	0.67	0.95	0.86	0.99
Current Ratio	1.61	1.25	1.43	1.19
Inventory Turnover Ratio	5.20	7.74	5.16	5.83

*Fixed Asset Turnover Ratio:* This is defined as revenue from operations divided by total property, plant and equipment, based on Restated Consolidated Financial Statements.

*Debt Equity Ratio:* This is defined as total debt divided by total shareholder funds. Total debt is the sum of long-term borrowings, short-term borrowings and current maturity of long term debt, based on Restated Consolidated Financial Statements.

*Current Ratio:* This is defined as current assets divided by current liabilities, based on Restated Consolidated Financial Statements.

*Inventory Turnover Ratio:* This is defined as revenue from operations divided by closing inventories, based on Restated Consolidated Financial Information.

### **Cash Flow**

The table below summaries our cash flows from our Restated Consolidated Financial Information for the financial years 2018, 2017 and 2016 and for the period ended December 31, 2018:

*(Rs. in lakhs)*

Particulars	For the Period Ended December 31, 2018	For the year ended March 31,		
		2018	2017	2016
Net cash (used in)/ generated from operating activities	491.21	50.64	258.10	695.92
Net cash (used in)/ generated from investing activities	(0.54)	(65.09)	(84.93)	(1,584.67)
Net cash (used in)/ generated from financing activities	(449.98)	160.64	(311.43)	582.69
Net increase/ (decrease) in cash and cash equivalents	40.69	146.19	(138.26)	(306.06)
Cash and Cash Equivalents at the beginning of the period	202.05	55.86	194.13	500.18
Cash and Cash Equivalents at the end of the period	242.74	202.05	55.86	194.13

### **Operating Activities**

*For nine months ended December 31, 2018*

Our net cash generated from operating activities was Rs. 491.21 lakhs for nine months ended December 31, 2018. Our operating profit before working capital changes was Rs. 1,971.76 lakhs for nine months ended December 31, 2018 which was primarily adjusted by payment of income tax of Rs. 304.10 lakhs, decrease in trade receivable by Rs 2,776.83 lakhs, increase in loans and advances by Rs 165.17 lakhs, increase in inventories by Rs 114.35 lakhs, decrease in trade payables by Rs. 3,821.63 lakhs, increase in other current liabilities by Rs. 28.31 lakhs and increase in provisions by Rs. 119.55 lakhs.

*Financial year 2017-18*

Our net cash generated from operating activities was Rs. 50.64 lakhs for the financial year 2017-18. Our operating profit before working capital changes was Rs. 1,327.05 lakhs for the financial year 2017-18 which was primarily adjusted by payment of income tax of Rs. 149.49 lakhs, increase in trade receivable by Rs 6,800.59 lakhs, increase in loans and advances by Rs 190.59 lakhs, decrease in inventories by Rs 186.73 lakhs, increase in trade payables by Rs. 5,126.44 lakhs, increase in other current liabilities by Rs. 495.26 lakhs and increase in provisions by Rs. 55.84 lakhs.

*Financial year 2016-17*

Our net cash generated from operating activities was Rs. 258.10 lakhs for the financial year 2016-17. Our operating profit before working capital changes was Rs. 1,165.93 lakhs for the financial year 2016-17 which was

primarily adjusted by payment of income tax of Rs. 104.89 lakhs, decrease in trade receivable by Rs 1,240.64 lakhs, decrease in loans and advances by Rs 32.05 lakhs, increase in inventories by Rs 941.24 lakhs, decrease in trade payables by Rs. 1,248.85 lakhs, increase in other current liabilities by Rs.84.34 lakhs and increase in provisions by Rs. 30.11 lakhs.

*Financial year 2015-16*

Our net cash generated from operating activities was Rs. 695.92 lakhs for the financial year 2015-16. Our operating profit before working capital changes was Rs. 999.82 lakhs for the financial year 2015-16 which was primarily adjusted by payment of income tax of Rs. 33.99 lakhs, increase in trade receivable by Rs 1,801.76 lakhs, decrease in loans and advances by Rs 635.70 lakhs, increase in inventories by Rs 466.88 lakhs, increase in trade payables by Rs. 1,567.33 lakhs, decrease in other current liabilities by Rs.198.28 lakhs and decrease in provisions by Rs. 6.00 lakhs.

**Investing Activities**

*For nine months ended December 31, 2018*

Net cash used in investing activities was Rs. 0.54 lakh for nine months ended December 31, 2018. This was primarily on account of purchase of fixed assets amounting to Rs. 2.65 lakhs which was partially offset by receipt of interest income of Rs. 2.11 lakhs.

*Financial year 2017-18*

Net cash used in investing activities was Rs. 65.09 lakhs for the financial year 2017-18. This was primarily on account of purchase of fixed assets amounting to Rs. 85.89 lakhs which was partially offset by proceeds from sale of fixed assets by Rs 18.10 lakhs and receipt of interest income of Rs. 2.70 lakhs.

*Financial year 2016-17*

Net cash used in investing activities was Rs. 84.93 lakhs for the financial year 2016-17. This was primarily on account of purchase of fixed assets amounting to Rs. 88.23 lakhs which was partially offset by receipt of interest income of Rs. 3.30 lakhs.

*Financial year 2015-16*

Net cash used in investing activities was Rs. 1,584.67 lakhs for the financial year 2015-16. This was primarily on account of purchase of fixed assets amounting to Rs. 1,588.08 lakhs which was partially offset by receipt of interest income of Rs. 3.41 lakhs.

**Financing Activities**

*For nine months ended December 31, 2018*

Net cash used in financing activities for nine months ended December 31, 2018 was Rs. 449.98 lakhs. This was primarily on account of repayment of long term borrowings amounting to Rs. 164.16 lakhs and interest payment amounting to Rs. 315.49 lakhs which was partially offset by proceeds from short-term borrowing amounting of Rs. 29.67 lakhs.

*Financial year 2017-18*

Net cash generated from financing activities for the financial year 2017-18 was Rs. 160.64 lakhs. This was primarily on account of proceeds from short-term borrowing amounting to Rs. 1,147.57 lakhs which was partially offset by repayment of long term borrowings amounting to Rs. 498.07 lakhs and interest payment amounting to Rs. 488.86 lakhs.

*Financial year 2016-17*

Net cash used in financing activities for the financial year 2016-17 was Rs. 311.43 lakhs. This was primarily on account of repayment of long term borrowings amounting to Rs. 40.25 lakhs and interest payment amounting to Rs. 402.97 lakhs which was partially offset by proceeds from short term borrowings of Rs. 131.78 lakhs.

*Financial year 2015-16*

Net cash generated from financing activities for the financial year 2015-16 was Rs. 582.69 lakhs. This was primarily on account of proceeds from long term borrowings amounting to Rs. 673.39 lakhs and proceeds from short-term borrowing amounting to Rs. 278.88 lakhs which was partially offset by interest payment amounting to Rs. 369.57 lakhs.

**Financial Indebtedness**

As on December 31, 2018 the total outstanding borrowings of our Company is Rs. 3,443.76 lakhs which included long-term borrowings of Rs. 313.24 lakhs, short term borrowings of Rs. 2,744.08 lakhs and current maturities of long term debt of Rs. 356.44 lakhs. For further details, refer chapter titled “*Financial Indebtedness*” beginning on page 166 of this Red Herring Prospectus.

(Rs. in lakhs)

Particulars	As at December 31, 2018
<b>Secured Loans</b>	
<i>Long Term Borrowings (From Banks and Financial Institutions)</i>	
- Term Loans	227.71
- Vehicle Loan	56.02
<i>Short Term Borrowings (Working Capital Loan from bank)</i>	2,774.08
<b>Sub Total (A)</b>	<b>3,057.81</b>
<b>Unsecured Loans</b>	
<i>Long Term Borrowings</i>	
- From Banks and Financial Institutions	29.51
<b>Sub Total (B)</b>	<b>29.51</b>
<b>Current Maturities of Long Term Borrowings (C)</b>	<b>356.44</b>
<b>Total (A)+(B)+(C)</b>	<b>3,443.76</b>

In the event, any of our lenders declare an event of default, such current and any future defaults could lead to acceleration of our repayment obligations, termination of one or more of our financing agreements or force us to sell our assets, any of which could adversely affect our business, results of operations and financial condition.

#### **Related Party Transactions**

Related party transactions with certain of our promoters, directors and their entities and relatives primarily relates to remuneration payable, loans & advances given and taken and Issue of Equity Shares. For further details of such related parties under AS18, refer chapter titled “*Financial Statements*” beginning on page 149 of this Red Herring Prospectus.

#### **Contingent Liabilities**

The following table sets forth our contingent liabilities as of December 31, 2018 as per Restated Consolidated Financial Statement:

(Rs in Lakhs)

Particulars	As at December 31, 2018
Bank Guarantees The Asst. Comm. Of Customs, ICS Tughalkabad, New Delhi	3.70
Bank Guarantees The Comm. Of Customs, NHAVA SHEVA, Mumbai	14.51
Income Tax CIT-A [A.Y.2016-17]	73.26
Export Obligations	1,103.21
Income Tax Demand pending for A.Y. 2014-15, appeal filled with ITAT ( CIT appeal order dated 27th January, 2017)	12.68
Income Tax Demand pending for A.Y. 2015-16, appeal filled with CIT (A) (order dated 8th January, 2018)	1.78
Value Added Tax Demand pending for F.Y. 2012-13, appeal filled with adjudication before Special commissioner.	160.50
<b>TOTAL</b>	<b>1,369.64</b>

It is not practical for our Company to estimate the timings of cash outflow, if any in respect of above mentioned bank guarantees. For further details, refer chapter titled “*Financial Statements*” beginning on page 149 of this Red Herring Prospectus.

#### **Off-Balance Sheet Items**

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

### ***Qualitative Disclosure about Market Risk***

#### **Financial Market Risks**

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk. We are exposed to interest rate risk, inflation and credit risk in the normal course of our business.

#### **Interest Rate Risk**

Our financial results are subject to changes in interest rates, which may affect our debt service obligations and our access to funds.

#### **Liquidity risk**

Liquidity risk is the risk that we will encounter difficulties in meeting the obligations associated with our financial liabilities that are settled by delivering cash or another financial asset. Our approach to managing liquidity is to ensure, to the extent possible, that we will have sufficient liquidity to meet our liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to our reputation. We manage liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

#### **Effect of Inflation**

We are affected by inflation as it has an impact on the raw material cost, wages, etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

#### **Credit Risk**

We are exposed to credit risk on monies owed to us by our customers. If our customers do not pay us promptly, or at all, we may have to make provisions for or write-off such amounts.

#### **Reservations, Qualifications and Adverse Remarks**

Except as disclosed in chapter titled “*Financial Statements*” beginning on page 149 of this Red Herring Prospectus, there have been no reservations, qualifications and adverse remarks.

#### **Details of Default, if any, Including Therein the Amount Involved, Duration of Default and Present Status, in Repayment of Statutory Dues or Repayment of Debentures or Repayment of Deposits or Repayment of Loans from any Bank or Financial Institution**

Except as disclosed in chapter titled “*Financial Statements*” beginning on page 149 of this Red Herring Prospectus, there have been no defaults in payment of statutory dues or repayment of debentures and interest thereon or repayment of deposits and interest thereon or repayment of loans from any bank or financial institution and interest thereon by the Company.

#### **Material Frauds**

There are no material frauds, as reported by our statutory auditor, committed against our Company, in the last three Fiscals.

#### **Unusual or Infrequent Events or Transactions**

As on date, there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses.

#### **Significant Economic Changes that Materially Affected or are Likely to Affect Income from Continuing Operations**

Indian rules and regulations as well as the overall growth of the Indian economy have a significant bearing on our operations. Major changes in these factors can significantly impact income from continuing operations.

There are no significant economic changes that materially affected our Company’s operations or are likely to affect income from continuing operations except as described in chapter titled “*Risk Factors*” beginning on page 23 of this Red Herring Prospectus.

**Known Trends or Uncertainties that have had or are expected to have a Material Adverse Impact on Sales, Revenue or Income from Continuing Operations**

Other than as described in the section titled “Risk Factors” beginning on page 23 of this Red Herring Prospectus and in this chapter, to our knowledge there are no known trends or uncertainties that are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

**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**

Other than as described in chapter titled “Risk Factors” beginning on page 23 of this Red Herring Prospectus and in this section, to our knowledge there are no known factors that might affect the future relationship between cost and revenue.

**Extent to which Material Increases in Net Sales or Revenue are due to Increased Sales Volume, Introduction of New Products or Services or Increased Sales Prices**

Changes in revenue in the last three financial years are as explained in the part “Financial Year 2017-18 compared with financial year 2016-17 and Financial Year 2016-17 Compared With Financial Year 2015-16” above.

**Total Turnover of Each Major Industry Segment in Which the Issuer Operates**

Please refer Segment Reporting under chapter titled “Financial Statements as restated” beginning on page 149 of this Red Herring Prospectus.

**Competitive Conditions**

We have competition with Indian and international manufacturers & traders and our results of operations could be affected by competition in the consumer electronics sector in India and international market in the future. We expect competition to intensify due to possible new entrants in the market, existing competitors further expanding their operations and our entry into new markets where we may compete with well-established unorganized companies / entities. This we believe may impact our financial condition and operations. For details, please refer to the chapter titled “Risk Factors” beginning on page 23 of this Red Herring Prospectus.

**Increase in income**

Increases in our income are due to the factors described above in this chapter under “Significant Factors Affecting Our Results of Operations” and chapter titled “Risk Factors” beginning on page 23 of this Red Herring Prospectus.

**Status of any Publicly Announced New Products or Business Segments**

Except as disclosed elsewhere in the Red Herring Prospectus, we have not announced and do not expect to announce in the near future any new products or business segments.

**Significant Dependence on a Single or Few Customers**

Significant proportion of our revenues have historically been derived from a limited number of customers. The % of Contribution of our Company’s customers and suppliers vis a vis the total revenue from operations and raw material, packaging material and stock in trade purchase respectively for the period ended December 31, 2018 and year ended March 31, 2018 based on Restated Standalone Financial Statement are as follows:

Particulars	Suppliers		Customers	
	As on December 31, 2018	As on March 31, 2018	As on December 31, 2018	As on March 31, 2018
Top 5 (%)	90.37%	82.53%	78.91%	53.10%
Top 10 (%)	98.01%	86.69%	96.32%	64.65%

**Seasonality of Business**

The nature of our business is not seasonal.

## FINANCIAL INDEBTEDNESS

Our Company utilizing credit facility from bank for conducting its business. Set forth is a brief summary of our Company's secured and unsecured borrowings as on December 31, 2018 together with a brief description of certain significant terms of such financing arrangements.

### SECURED BORROWINGS

#### 1. Loan of Rs.3419.00 Lakhs from State Bank of India as per Sanction letter dated October 12, 2017.

*(Rs. in Lakhs)*

Bank/Financial Institution	Nature of facility	Sanctioned Amount	Rate Of Interest / Commission	Tenure (Months)	Outstanding as on December 31, 2018
State Bank Of India	Term Loan	513.00	2.75% above MCLR of 3 years, present MCLR 8.00% p.a.	Repayable in 60 Monthly Installments, out of which 59 installments of Rs. 11,67,000/- Each and 1 installments of Rs. 11,47,000/- starting from 30th November, 2012	356.02
State Bank Of India	Cash Credit Facility	2750.00	As per sanction terms	Repayable on demand	2774.08

#### Securities:

##### **Primary Securities:**

- a) **Current Assets:** All current assets of firm present and future including stocks like raw material, SIP, FG, stock in transit, receivables, book debt, advance payment, good under LC and miscellaneous current assets will be hypothecated to the bank, during the currency of loan with exclusive charge of State bank of India.
- b) **Fixed Assets** All fixed assets in the name of the company, hypothecation of plant and machinery.

##### **Collateral Securities:**

- a) Commercial Building bearing Survey number :10582(5/68), situated at shop no.14, ground floor, plot no.68, block no.5, WEA Nalwala, Karol Bhag, New Delhi, Delhi-110005,(urban), admeasuring total area:212.37 square meters owned by M/s Suich Industries Limited.
- b) Commercial Building bearing Survey number :10582(5/68), situated at 3<sup>rd</sup> Floor, commercial property municipal no. 10582 (5/68), plot no.68,block no.5 WEA, Naiwala,, karo; bhag, New Delhi, Delhi-110005,(urban), admeasuring total area:212.58 square meters owned by M/s Suich Industries Limited
- c) Commercial Building bearing survey number :shop no.22 ground floor, ,municipal no. 10525(5/68),plot no.68,block no.5 WEA, Naiwala,, karo; bhag, New delhi, Delhi-110005,(urban), admeasuring total area:502 square meters owned by M/s Suich Industries Limited
- d) Commercial Building bearing survey number: 2659/3016, situated at plot no.106, sector 7 IIE sidcul, haridwar, 249403, (urban), admeasuring total area: 7500 square meters.

##### **Personal Guarantee:**

- a) Sanchit Allagh
- b) Gunnit Allagh

#### Key Restrictive Covenants:

The borrower shall give 60 days prior notice to the bank for undertaking any of the following activities

- 1) Formulate any scheme of amalgamation or reconstruction.
- 2) Undertake any, new project, implement any scheme of expansion or acquire fixed assets if such Investment results into breach of financial covenants of diversion of working capital funds to financing long term assets.

- 3) Invest by way of share capital in or lend or advance funds to or place deposits with any other concern (including group companies); normal trade credit or security deposits in ordinary course of business or advance to employees can, however be extended.
- 4) Enter into any borrowing agreement either secured or unsecured with any other bank, financial institution, and firm or otherwise or accept any deposits which increases indebtedness beyond permitted limits, stipulated if any at the time of sanction.
- 5) Undertake any guarantee or letter of comfort in the nature of guarantee on behalf of any other firm (including group companies).
- 6) Declare dividends for any year except out of profit relating to that year after making all due and necessary provisions and provided further that no default is subsisting in any repayment obligation to the bank.
- 7) Create any charge, lien or encumbrance over its undertaking or any part thereof in favor of any financial institution, bank, and firm.
- 8) Permit any transfer of the controlling interest or make any drastic change in management set-up.

## 2. Auto Loans:

(Rs.in lakhs)

Bank/Financial Institution	Nature of facility	Sanctioned Amount	Rate Of Interest / Commission	Tenure (Months)	Outstanding as on December 31, 2018	Securities
Kotak Mahindra Prime Limited	Auto Loan	40.00	As per Sanction Terms	36	7.86	Hypothecation of Motor Vehicle
Kotak Mahindra Prime Limited	Auto Loan	10.00	As per Sanction Terms	36	1.96	Hypothecation of Motor Vehicle
HDFC Bank Limited	Auto Loan	12.62	As per Sanction Terms	60	7.30	Hypothecation of Motor Vehicle
HDFC Bank Limited	Auto Loan	7.67	As per Sanction Terms	47	3.94	Hypothecation of Motor Vehicle
HDFC Bank Limited	Auto Loan	29.00	As per Sanction Terms	60	17.13	Hypothecation of Motor Vehicle
Axis Bank Limited	Auto Loan	29.50	As per Sanction Terms	84	24.20	Hypothecation of Motor Vehicle
HDFC Bank Limited	Auto Loan	13.00	As per Sanction Terms	60	11.20	Hypothecation of Motor Vehicle
HDFC Bank Limited	Auto Loan	13.00	As per Sanction Terms	60	11.20	Hypothecation of Motor Vehicle

## UNSECURED BORROWINGS

(Rs.in lakhs)

Bank/Financial Institution	Sanctioned Amount	Rate of Interest	EMI	Tenure(Months)	Outstanding as on December 31, 2018
Capital Float	50.00	20.00%	2.55	24	7.41
Aditya Birla Finance Limited	30.00	20.80%	1.51	24	5.81
Capital First Limited	23.60	11.01%	1.79	24	1.39



Delhi Safe Deposit Company Limited	15.00	21.75%	0.76	24	2.20
Deutsche Bank	50.00	13.20%	1.67	36	4.64
Edelweiss Retail Finance Limited	40.05	19.00%	1.46	36	12.22
Electronica Finance Limited	23.69	18.10%	0.84	36	8.54
Fullerton India Limited	50.00	18.50%	2.50	24	14.27
HDFC Bank Limited	50.00	18.50%	1.40	48	30.84
Jain Sons Finlease Limited	150.00	18.50%	7.52	24	36.63
Kanika Investment Limited	20.00	20.00%	0.74	36	9.21
MAGMA Fincorp Limited	51.17	10.10%	2.57	24	7.50
OXYZO Financial Service Private Limited	70.00	18.00%	3.49	24	46.63
Rainbow Digital Service Limited	40.00	18.50%	1.45	36	15.84
Tab Capital Limited	30.00	18.00%	1.95	18	14.11
TATA Capital Financial Service Limited	34.95	18.50%	1.75	24	11.54

## SECTION VII – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no outstanding (I) criminal proceedings, (II) actions taken by statutory or regulatory authorities, (III) disciplinary action including penalty imposed by the SEBI or stock exchanges against our Promoters in the last five Fiscals, including outstanding action, (IV) claims related to direct and indirect taxes in a consolidated manner, (V) details of any other pending material litigation which are determined to be material as per a policy adopted by our Board (“**Materiality Policy**”), in each case involving our Company, Promoters, Directors, Group Company and Subsidiary, (the “**Relevant Parties**”).

For the purpose of (V) above, our Board in its meeting held on March 05, 2019, has considered and adopted a policy of materiality for identification of material litigation involving the Relevant Parties.

In terms of the Materiality Policy, all pending litigation involving the Relevant Parties, other than criminal proceedings, actions by regulatory authorities and statutory authorities, disciplinary action including penalty imposed by SEBI or stock exchanges against the Promoters in the last five Fiscals including outstanding action, and tax matters, would be considered ‘material’ if:

- (a) the monetary amount of claim by or against the entity or person in any such pending proceeding is in excess of 5% of the profit after tax of our Company as per the restated consolidated financial statements of our Company for the last full Fiscal, being ₹ 37.15 Lakhs; or
- (b) the monetary liability is not quantifiable, however, the outcome of any such pending proceedings may have a bearing on the business, operations, performance, prospects or reputation of our Company.

Except as stated in this section, there are no Outstanding Material Dues (as defined below) to creditors; or (ii) outstanding dues to small scale undertakings and other creditors.

Our Board, in its meeting held on March 05, 2019 determined that outstanding dues to creditors in excess of Rs. 561.77 lakhs as per the restated consolidated financials for the financial year ended March 31, 2018 shall be considered as material dues (“Material Dues”).

Unless otherwise stated to the contrary, the information provided is as of the date of this Red Herring Prospectus.

### **OUTSTANDING TAXATION MATTERS INVOLVING OUR COMPANY, DIRECTORS, PROMOTERS, SUBSIDIARIES AND GROUP COMPANIES**

Nature of Case	Number of Cases	Outstanding Amount (in lakhs)
<b><i>Company</i></b>		
Direct Tax*	4	59.56
Indirect Tax	1	160.50
<b><i>Directors (other than Promoters)</i></b>		
Direct Tax	6	1.17
Indirect Tax	Nil	Nil
<b><i>Promoters</i></b>		
Direct Tax	1	0.01
Indirect Tax	Nil	Nil
<b><i>Subsidiaries</i></b>		
Direct Tax	NA**	NA
Indirect Tax	NA	NA
<b><i>Group Companies</i></b>		
Direct Tax	2	Not Ascertainable***
Indirect Tax	3	164.68

*Note: The amounts indicated above are approximate amounts and have been disclosed to the extent ascertainable.*

*\*The amounts indicated above include appeals under the Income Tax Act, 1961 (“I.T. Act”) levied by the Income Tax Department for various assessment years and the details thereof are:*

- i. As on date, an appeal in the form of Form 36 against an order under section 250 of the I.T. Act filed by the Issuer Company involving Rs. 12,68,870 (for the FY 2014-15) is pending before the Income Tax Appellate Tribunal.
- ii. As on date, an appeal in the form of Form 35 against an order under section 143(3) of the I.T. Ac, filed by Issuer Company involving Rs. 1,78,850 (for the FY 2015-16) is pending before the Commissioner of Income Tax.
- iii. As on date, an appeal for compounding for offences under section 279(2) of the Income Tax Act filed by Issuer Company involving Rs. 9,00,964 (for the FY 2012-13) is pending before the Chief Commissioner of Income Tax (TDS).

*\*\* The Subsidiary of the Issuer Company is based outside India and cannot be made taxable under Indian Tax Laws. Hence, no tax demand may remain pending for the Subsidiary.*

*\*\*\* Amounts for the two matters involving the Group Company is currently ascertainable.*

## **OTHER MATERIAL LITIGATIONS**

### **LITIGATION INVOLVING OUR COMPANY**

#### **A. LITIGATIONS AGAINST OUR COMPANY:**

##### **1. CRIMINAL MATTERS:**

#### **CTO CARRIERS LTD. V. SUICH INDUSTRIES LIMITED AND GUNNIT SINGH ALLAGH.**

A Complaint vide Complaint No. 192 of 2019, before the Court of Chief Metropolitan Magistrate: (North) Rohini Court Delhi by one CTO Carriers Ltd. (hereinafter referred to as “the Complainant”) was filed against Suich Industries and others (hereinafter referred to as “the Accused”). The Accused had been availing the Complainant’s services of providing transportation from the year 2016.

The Complainant, in its plaint, submitted that invoices raised by it in lieu of the said services in the months of January and February, 2018 were returned by the bank with the remarks “Account closed”. The Complainant, in the month of April 2018, sent a legal notice to the Accused under section 138 of the Negotiable Instruments Act, 1881 (“NI Act”). Thereafter, the Accused admitted a total liability of INR 17 lacs (inclusive of interest) and consequently, entered into a deed of settlement dated May 30, 2018 with the Complainant wherein the manner of payment of said amount by the Accused was stipulated. The deed laid down an obligation on the Accused to pay the said amount in five instalments by way of five post-dated cheques. The Complainant further submitted that out of the five aforesaid cheques, one cheque, numbered 304045 dated July 10, 2018 was honoured whereas the remaining four cheques were dishonoured on account of “insufficient funds” in the Accused’s bank account. The amount of one cheque 304047 dated September 10, 2018 was recovered through an RTGS payment made by the Accused. However, the amounts of the remaining three cheques numbered 304046, 304048 and 304049 dated August 10, 2018, October 10, 2018 and November 10, 2018 remained unpaid.

Subsequently, the Complainant sent a notice dated November 20, 2018 demanding the Accused to make the payments on the abovementioned dishonoured cheques amounting to INR 10.2 lakhs within 15 days of the said notice. The Complainant further submitted the Accused failed to make the payments within the stipulated time period and hence shall be liable under section 138 of the NI Act. The matter is currently pending for further hearing.

##### **2. WILFUL DEFAULTER:**

Our Company does not appear on the Wilful Defaulters’ list as per the Reserve Bank of India Circular on Wilful Defaulters’.

##### **3. ACTIONS BY REGULATORY OR STATUTORY AUTHORITIES:**

Nil

Note: The Regulatory or Statutory Authorities for the purpose of this Chapter include but are not limited to SEBI, RBI etc.

##### **4. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:**

Nil

**B. LITIGATIONS FILED BY OUR COMPANY:**

**1. CRIMINAL MATTERS:**

Nil

**2. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:**

**SUICH INDUSTRIES LIMITED V. UNION OF INDIA AND OTHERS**

A Writ Petition W.P. (CRL) 1325/2018 dated April 28, 2018 was filed by our Company (hereinafter referred to as “the Petitioner”) under Article 226 of the Constitution of India before the High Court of New Delhi. The Petitioner imported two consignments consisting of 501 cartons bearing bill of entry no. 5251155 dated February 15, 2018 (Cargo No. 1) amounting to Rs. 82,35,657/-and 528 Cartons bearing bill of entry no. 5195795 dated February 13, 2018 (Cargo No. 2) amounting to Rs. 86,33,054/- from Hongkong to New Delhi. The Respondents detained the Cargo No. 1 vide punchnama dated February 20, 2018 stating that the said import of goods was in violation of the Customs Act, 1962. The Respondents also detained Cargo No. 2 and did not provide copy of seizure as per provision of the Customs Act, 1962. The Petitioner sent letter to the Respondents dated March 01, 2018 for the withdrawal of said consignments. The Respondents did not release the consignments. The Petitioner alleged that the said detention was arbitrary, malafide and unconstitutional as it was entirely without the authority of law and a result of abuse of power by the Respondents. Hence, the Petitioner filed the petition praying to stop the investigation by Commissioner of Customs (the Respondent) and to release the said consignments. The matter is currently pending.

**LITIGATION INVOLVING DIRECTORS OF OUR COMPANY**

**A. LITIGATIONS AGAINST DIRECTOR/S OF OUR COMPANY:**

Gunnit Singh Allagh and Sanchit Singh Allagh are Directors as well as Promoters of our Company. For litigation pertaining to them kindly refer the head “*Litigation involving Company*” and “*litigation involving Promoters of our Company*” in this Chapter.

**1. CRIMINAL MATTERS:**

**CTO CARRIES LTD. V. SUICH INDUSTRIES LIMITED AND GUNNIT SINGH ALLAGH**

For details pertaining to the above case, kindly refer the head “*Litigation against our Company.*”

**SANCHIT ALLAGH V. STATE OF U.T. CHANDIGARH**

For details pertaining to the above case, kindly refer the head “*Litigation against our Promoter.*”

**2. WILFUL DEFAULTERS:**

None of our Directors’ appear on the Wilful Defaulters’ list as per the Reserve Bank of India Circular on Wilful Defaulters’.

**3. ACTIONS BY REGULATORY OR STATUTORY AUTHORITIES:**

Nil

**4. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:**

Nil

**B. LITIGATIONS FILED BY DIRECTOR/S OF OUR COMPANY:**

**1. CRIMINAL MATTERS:**

Nil

**2. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:**

**TRILOCHAN SINGH ETC. V. PRITAM SINGH AND OTHERS**

For details pertaining to the above case, kindly refer the head “*Litigation against our Promoter.*”

**LITIGATION INVOLVING OUR PROMOTERS**

**A. LITIGATIONS AGAINST OUR PROMOTER/S:**

**1. CRIMINAL MATTERS:**

**CTO CARRIES LTD. V. SUICH INDUSTRIES LIMITED AND GUNNIT SINGH ALLAGH**

For details pertaining to the above case, kindly refer the head "*Litigation against our Company.*"

**SANCHIT ALLAGH V. STATE OF U.T. CHANDIGARH**

A First Information Report reference no. 124 was filed by State of Union Territory, Chandigarh (hereinafter referred to as "the Complainant(s)") against Sanchit Allagh (hereinafter referred to as "Accused") and others dated April 24, 2018 under sections 406, 420 and 120B of the Indian Penal Code, 1860 and section 66 of the Information Technology Act, 2000 was filed before Sector 17 Chandigarh Police Station. The Complainant claimed that INR 45,30,000 was transferred to the bank account of the Accused in the fraudulent bitcoin transaction. The Accused claimed that his name was not mentioned in the said FIR and that has not interacted with any complainant at any point in time. In its order no. CRM-M-39721 of 2018 dated September 17, 2018, the Accused was granted bail on furnishing of bail bond and surety bond. However, the matter is currently pending.

**2. DISCIPLINARY ACTION INCLUDING PENALTY IMPOSED BY SEBI OR STOCK EXCHANGES AGAINST OUR PROMOTERS IN THE LAST FIVE FINANCIAL YEARS INCLUDING OUTSTANDING ACTION:**

Nil

**3. WILFUL DEFAULTERS:**

None of our Promoters' appear on the Wilful Defaulters' list as per the Reserve Bank of India Circular on Wilful Defaulters'.

**4. ACTIONS BY REGULATORY OR STATUTORY AUTHORITIES:**

Nil

**5. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:**

**TRILOCHAN SINGH ETC. V. PRITAM SINGH AND OTHERS**

A civil suit under the ordinary original civil jurisdiction of the High Court of Delhi with CS (OS) No. 550 of 2016 dated October 24, 2016 was filed by Trilochan Singh and Daljeet Singh (hereinafter referred to as "the Petitioners") against Pritam Singh, Gunnit Singh (Promoter Director- I of the Company), Sanchit Allagh (the Promoter Director- II of the Company) and others (hereinafter referred to as the Respondents"). The suit was for partition and rendition of accounts and permanent and mandatory injunction. The matter is currently pending.

**B. LITIGATIONS FILED BY OUR PROMOTER/S:**

**1. CRIMINAL MATTERS:**

Nil

**2. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:**

Nil

**LITIGATION INVOLVING OUR GROUP COMPANY**

**A. LITIGATIONS AGAINST OUR GROUP COMPANY:**

**1. CRIMINAL MATTERS:**

Nil

**2. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:**

Nil

**B. LITIGATIONS FILED BY OUR GROUP COMPANY:**

**1. CRIMINAL MATTERS:**

Nil

**2. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:**

Nil

**LITIGATION INVOLING OUR SUBSIDIARY COMPANY**

**A. LITIGATIONS AGAINST OUR SUBSIDIARY COMPANY:**

**1. CRIMINAL MATTERS:**

Nil

**2. ACTIONS BY REGULATORY OR STATUTORY AUTHORITIES:**

Nil

**3. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:**

Nil

**B. LITIGATIONS BY OUR SUBSIDIARY COMPANY:**

**1. CRIMINAL MATTERS:**

Nil

**2. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:**

Nil

**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 151 of this Red Herring Prospectus, there have been no material developments, since the date of the last audited balance sheet.

**OUTSTANDING DUES TO CREDITORS**

As of December 31, 2018, we had 30 creditors on a consolidated basis. The aggregate amount outstanding to such creditors as on December 31, 2018 was ₹ 1,838.32 Lakhs, on a consolidated basis.

As per the Materiality Policy, such creditors to whom, outstanding dues to any creditor of our Company having monetary value which exceed ₹ 561.77 Lakhs, which is 10% of the total trade payables of our Company as per the Restated Consolidated Financial Statements of our Company for the year ended March 31, 2018 included in this Red Herring Prospectus, shall be considered as ‘material’. Accordingly, in this regard, there are no creditors to whom an amount exceeding ₹ 561.77Lakhs was owed as on December 31, 2018, to whom we can consider ‘material’ creditors.

Details of outstanding dues owed as at December 31, 2018 to MSMEs and other creditors are set out below.

<b>Creditors</b>	<b>Number of Cases</b>	<b>Amount due (in Rs. Lakhs)</b>
MSMEs	-	-
Other Creditors	30	1,838.32

Since, there are no material creditors to whom amounts overdue, we have not uploaded any list of material creditors.

Information provided on the website of our Company is not a part of this Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company’s website, [www.suichgroup.com](http://www.suichgroup.com), would be doing so at their own risk.

## GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company has received the necessary consents, licenses, permissions, registrations and approvals from the Government/RBI, various Government agencies and other statutory and/ or regulatory authorities required for carrying on our present business activities and except as mentioned under this heading, no further material approvals are required for carrying on our present business activities. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. Unless otherwise stated, these approvals or licenses are valid as of the date of this Red Herring Prospectus and in case of licenses and approvals which have expired; we have either made an application for renewal or are in the process of making an application for renewal. In order to operate our business as manufacturer, assemblers, purchasers, seller, retailer, wholesalers, exporters, importers, distributors or otherwise involved in dealing of all kinds of consumer electronics such as feature mobile phone/ cellular phones, batteries which form part of such feature mobile phone/ cellular phones along with its accessories, power bank, mobile charger, LED TV etc., we require various approvals and/ or licenses under various laws, rules and regulations. For further details in connection with the applicable regulatory and legal framework, please refer to the chapter titled “*Key Industry Regulations and Policies*” on page 114 of this Red Herring Prospectus.

The Company has its business located at:

**Registered Office:** Plot no - 68, 3<sup>rd</sup> floor, Block no. 5 W.E.A, Naiwala, Karol Bagh, New Delhi-110005, India.

**Manufacturing Unit:** Plot No. 106, Sector-7, IIE SIDCUL, Haridwar - 249401, Uttarakhand, India.

### **Branch:**

**Branch (Haryana) -** G-21, Green Wood City, Gurgaon– 122001, Haryana, India.

The objects clause of the Memorandum of Association enables our Company to undertake its present business activities. The approvals required to be obtained by our Company includes the following:

### **APPROVALS FOR THE ISSUE**

#### **Corporate Approvals:**

1. The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a resolution passed at its meeting held on January 15, 2019, authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of the Company have, pursuant to Section 62(1) (c) of the Companies Act 2013, by a special resolution passed in the Extra-Ordinary General Meeting/Annual General Meeting held on February 08, 2019 authorized the Issue.

#### **In- principle approval from the Stock Exchange**

We have received in-principle approval from the BSE Limited for the listing of our Equity Shares pursuant to letter dated April 12, 2019 bearing reference no. LO/SME IPO/PP/IP/34/2019-20.

#### **Agreements with NSDL and CDSL**

1. The Company has entered into an agreement dated May 02, 2018 with the Central Depository Services (India) Limited (“**CDSL**”) and the Registrar and Transfer Agent, who in this case is, Link Intime India Private Limited for the dematerialization of its shares.
2. Similarly, the Company has also entered into an agreement dated April 16, 2018 with the National Securities Depository Limited (“**NSDL**”) and the Registrar and Transfer Agent, who in this case is Link Intime India Private Limited for the dematerialization of its shares.
3. The Company's International Securities Identification Number (“**ISIN**”) is INE00CU01013.

### **INCORPORATION AND OTHER DETAILS**

1. The Certificate of Incorporation dated July 17, 2008 issued by the Assistant Registrar of Companies, National Capital Territory of Delhi and Haryana in the name of “**DELHI FONE N BATTERIES PRIVATE LIMITED**”.
2. Certificate of Incorporation dated October 15, 2012 post change of name from “**DELHI FONE N BATTERIES PRIVATE LIMITED**” to “**SUICH INDIA PRIVATE LIMITED**” issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana in the name.

3. Certificate of Incorporation dated December 12, 2012 post change of name from “**SUICH INDIA PRIVATE LIMITED**” to “**SUICH INDUSTRIES PRIVATE LIMITED**” issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana.
4. Fresh Certificate of Incorporation consequent upon conversion from private company to public company issued on February 21, 2018 by the Registrar of Companies, Delhi in the name of “**SUICH INDUSTRIES LIMITED**”.
5. The Corporate Identification Number (CIN) of the Company is U51506DL2008PLC181023.

#### APPROVALS/LICENSES RELATED TO OUR BUSINESS ACTIVITIES

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

Sr. No.	Description	Authority	Registration No./ Reference No./ License No.	Date of Issue	Date of Expiry
1.	Certificate of Importer-Exporter Code (IEC)	Foreign Trade Development Officer, Ministry of Commerce and Industry, Government of India	0509059791	November 18, 2009	In case of change in name/address or constitution of IEC holder, the IEC holder shall cease to be eligible to Import or Export against the IEC after the expiry of 90 days from the date of such a change unless in the meantime, the consequential changes are effected in the IEC by the concerned licensing authority.
2.	Registration Certificate of Establishment (under Delhi Shops & Establishments Act, 1954)	Department of Labour, Government of National Capital Territory of Delhi	2018015132	March 14, 2018	NA
3.	Udyog Aadhar Memorandum/ Entrepreneurs Memorandum for setting micro, small and	Ministry of Micro, Small and Medium Enterprises, Government of India	UAN:- DL03C00066 81 EM 1:- 05-01-3110-1176	UAN Issue Date: July 17, 2008 EM Issue Date: July 14, 2010	NA



	medium Enterprises Unit				
4.	License to work a factory  (under Section 6 of Factories Act, 1948 and under Rule 7 (1) of the Rules made thereunder)	Labour Department, Uttarakhand	HWR-1333	October 09, 2015	December 31, 2018  <b>[Expired; renewal application made]</b>

#### TAX RELATED APPROVALS/LICENSES/REGISTRATIONS

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
1.	Permanent Account Number (PAN)	Income Tax Department, Government of India	AACCD9371N	March 10, 2018	Perpetual
2.	Tax Deduction Account Number (TAN)	Income Tax Department through National Securities Depository Limited (NSDL), Ministry of Finance, Government of India	DELD11298A	March 14, 2018	Perpetual
3.	Goods and Service Tax Identification Number (GSTIN) <b>for manufacturing unit</b> (under Uttarakhand Goods and Services Tax Act, 2017)	Government of India	05AACCD9371N1Z8	April 24, 2018  Date of Liability: July 01, 2017  Date of Validity: September 24, 2017	NA
4	Goods and Service Tax Registration Certificate <b>for Branch (Haryana)</b>  (under Haryana Goods and Services Tax Act, 2017)	Government of India	06AACCD9371N1Z6	February 23, 2018  Date of Validity: December 13, 2017.	NA
5	Goods and Service Tax Registration Certificate <b>for Delhi</b> (under Delhi Goods and Services Tax Act, 2017)	Government of India	07AACCD9371N1Z4	May 10, 2018  Date of Liability: July 01, 2017  Date of Validity:	NA

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
				September 18, 2017	
6	<p>Certificate of Registration VAT AND CST for <b>manufacturing unit</b></p> <p>(under Uttarakhand Value Added Tax Act, 2005 and under Rule 5(1) of Central Sales Tax (Registration and Turnover) Rules, 1957 )</p>	Assistant Commercial Tax Officer, Haridwar Commercial Tax Department, Government of Uttarakhand	05009592355	<p>Date of Issue: January 22, 2010</p> <p>Registration Date: January 11, 2010</p>	NA
7	<p>Certificate of Registration for <b>Delhi</b></p> <p>(under Delhi Value Added Tax Act, 2004 read with Rule 14 of the Value Added Tax Rules, 2005 and under Rule 5(1) of Central Sales Tax (Registration and Turnover) Rules, 1957)</p>	Value Added Tax Officer, Commercial Tax Department, Government of NCLT of Delhi.	07190340692	<p>April 02, 2008</p> <p>Date of liability and Validity: February 20, 2008</p>	NA
8	<p>Certificate of Registration of Service Tax for <b>Delhi</b> (previous registered office)</p> <p>(under Chapter V of the Finance Act, 1994 read with the Service Tax Rules, 1994)</p>	Central Board of Excise and Customs, Ministry of Finance, Department of Revenue	AACCD9371NSD002	July 22, 2013	NA
9	<p>Central Excise Registration Certificate for <b>Haridwar</b> (previous manufacturing unit)</p>	Deputy Commissioner, Customs, Central Excise and Service Tax, Division, Dehradun	AACCD9371NEM001	March 19, 2010	Valid till Registrant carries on the activity for which it has been issued or surrenders it or till it is

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
	(under Rule 9 of the Central Excise Rules, 2002)				revoked or suspended.
10	Registration Certificate for Customs (under the Customs (Import of goods at concessional rate of duty for manufacture of Excisable goods ) Rules,1996)	Assistant Commissioner, Customs and Central Excise, Haridwar	VIII(21)Cus/Suich/I GCRD/HDR/08/14/4 249	Original: November 03, 2010  September 08,2015	Valid till the holder carries on the activity for the purpose of which this Certificate has been issued or till holder surrenders this certificate, which is earlier. N.A

#### LABOUR RELATED APPROVALS/ REGISTRATIONS

Sr. No.	Description	Authority	Registration No./Reference No./License No.	Date of Issue
1.	Employees Provident Fund Registration (under Employees' Provident Funds and Miscellaneous Provisions Act, 1952)	Employees Provident Fund Organisation, Ministry of Labour, Government of India	Code No.: UK/36J97 UKDDN0036197000	July 08, 2010
2	Registration for Employees State Insurance (under Employees State Insurance Act, 1948)	Employees State Insurance Corporation	Establishment Code – 61-00-007739-000-0304/2778	July 27, 2010

#### ENVIRONMENT RELATED LICENSES /APPROVALS/ REGISTRATIONS

Sr. No.	Description	Authority	Registration Number	Date of Certificate	Date of Expiry
1.	Provisional Consent to establish (under the Water (Prevention and Control of Pollution) Act, 1974, the Air Act, 1981 and the	Uttarakhand Environment Protection Pollution Control Board, Haridwar	CTE Order No: CTE 35094	August 20, 2015	June 26, 2016 [Validity of Provisional Consent is valid upto 5





	Environment (Protection) Act, 1986)				years from the date of issue of CTE] <b>[Expired]</b>
2.	Consent to Operate that is Consolidated Consent and Authorisation (CCA) (under Section 25 of the Water (Prevention and Control of Pollution) Act 1974, Section 21 of the Air (Prevention and Control of Pollution) Act 1981 and Rule 6 (2) of the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016)	Uttarakhand Environment Protection Pollution Control Board, Haridwar	AWH-37907/1607 PCB ID: 12875	March 23, 2018	March 31, 2018 <b>[Expired]</b>

#### OTHER BUSINESS-RELATED APPROVALS

NA

#### INTELLECTUAL PROPERTY RELATED APPROVALS/REGISTRATIONS

##### TRADEMARKS

Sr. No.	Trademark	Trademark Type	Class	Applicant	Application No.	Date of Application	Validity/ Renewal
1.		Device	9	Suich India Private Limited	2425711	November 8, 2012	November 8, 2022
2	FRFONERANGE	Word	9	Delhi Fone N Batteries Private Limited	1972364	May 28, 2010	May 28, 2020
3		Device	9	Suich Industries Limited	3790759	March 28, 2018	March 28, 2028
4		Device	9	Delhi Fone N Batteries Private Limited	2218187	October 11, 2011	October 11, 2021
5		Device	9	Delhi Fone N Batteries Private Limited	1723434	August 21, 2008	NA

6	EVERPLUS	Word	9	Suich Industries Private Limited	2840647	November 11, 2014	NA
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**Company has confirmed that no other applications have been made by the Company nor has it registered any type of intellectual property including trademarks/copyrights/patents etc.**

**PENDING APPROVALS:**

4. An application for Renewal of Consent to establish and Consent to operate dated June 07, 2018 to Uttarakhand Environmental Protection & Pollution Control is currently pending.
5. Company has made an application for change of name from “**Suich Industries Private Limited**” to “**Suich Industries Limited**” for Import Export Code and GST Registration Certificate under Haryana Goods and Services Tax Act, 2017 which is currently pending.
6. Company has made a renewal application for license to work a factory under Section 6 of Factories Act, 1948 and under Rule 7 (1) of the Rules made thereunder dated October 22, 2018 which is currently pending.

**MATERIAL LICENSE/APPROVALS FOR WHICH THE COMPANY IS YET TO APPLY.**

Nil

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on January 15, 2019 and by the shareholders of our Company vide a special resolution pursuant to Section 62(1)(c) of the Companies Act, 2013 passed at the Extra Ordinary General Meeting of our Company held on February 08, 2019 at the Registered Office of our Company.

### PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

We confirm that our Company, Directors, Promoters, Promoter Group, person in control of our Company, are not prohibited from accessing or operating in the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority / court as on the date of this Red Herring Prospectus.

In view of the General Circular No.07/2018 dated September 6, 2018 and General Circular No.08/2018 dated September 10, 2018 issued by the Ministry of Corporate Affairs, Government of India, our Company, our Promoters, our Promoter Group will ensure compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, upon notification of the relevant forms, as may be applicable to them.

Neither our Promoters, nor any of our Directors or persons in control of our Company were or is a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI or any other governmental authorities as on the date of this Red Herring Prospectus.

Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

None of our Directors are associated with the securities market in any manner, including securities market related business and there is no outstanding action initiated against them by SEBI in the past 5 years.

Further, none of our Promoters or Directors are declared as fugitive economic offenders under Fugitive Economic Offenders Act, 2018.

### PROHIBITION BY RBI

Neither our Company nor any of our Promoters or Directors have been declared as wilful defaulter(s) by the RBI or any other governmental authority.

### ELIGIBILITY FOR THIS ISSUE

Our Company is eligible for the Issue in accordance with regulation 229(2) and other provisions of chapter IX of the SEBI (ICDR) Regulations, 2018 as the post issue face value capital is more than Rs. 1,000 lakhs and up to Rs. 2,500 lakhs. 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 260 of the SEBI (ICDR) Regulations, this Issue will be 100% underwritten and shall not restrict to the minimum subscription level. The BRLM shall underwrite at least 15% of the total issue size. For further details pertaining to underwriting please refer to chapter titled "General Information" beginning on page 48 of this Red Herring Prospectus.
2. In accordance with Regulation 268(1) 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 246 of the SEBI (ICDR) Regulations, we have filed draft offer document with SEBI as well as stock exchange (s). However, Board shall not issue any observation pursuant to Regulation 246(2) of the SEBI (ICDR) Regulations.
4. In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the Book Running Lead Manager and Market Maker to ensure compulsory market making for the minimum period of three years from the date of listing of equity shares offered in this issue. For further details of the

market making arrangement see chapter titled “General Information” beginning on page 48 of this Red Herring Prospectus.

5. The Post-Issue paid up capital of the Company shall not be more than Rs. 25 Crores. The post Issue capital of our Company is Rs. 15.67 Crores.
6. The Company has positive cash accruals (Earnings before depreciation and tax) from operations for at least 2 (two) financial years preceding the date of filing of this Red Herring Prospectus.
7. The Company has a track record of three years as on date of filing of this Red Herring Prospectus.
8. The Net worth of the Company is positive as per the latest audited financial statements.
9. The Net worth and Cash accruals (Earnings before depreciation and tax) from operation of the Company as per the Restated Consolidated Financial statements for the period ended on December 31, 2018 and financial year ended March 31, 2018, 2017 and 2016 is as set forth below:

*Amount (Rs. In Lakhs)*

Particulars	For the period ended	For the financial year ended 31 <sup>st</sup> March		
	December 31, 2018	2018	2017	2016
Net Worth*	5,172.95	4,027.38	3,284.57	2,752.04
Cash Accruals**	1,931.59	1,615.18	1,318.30	996.14
Net Tangible Assets***	11,416.80	14,040.77	7,270.70	7,895.58

\*“Net Worth” has been defined as the aggregate of the paid up share capital, share application money (excluding the portion included in other current liabilities) and reserves and surplus excluding miscellaneous expenditure, if any.

\*\* “Cash accruals” has been defined as the Earnings before depreciation and tax from operations.

\*\*\* “Net Tangible Assets” has been defined as all assets excluding deferred tax assets and intangible assets.

10. The track record of the Company as per the Restated Consolidated Financial Statements for the period ended on December 31, 2018 and financial year ended March 31, 2018, 2017 and 2016 is as set forth below:

*Amount (Rs. In Lakhs)*

Particulars	For the period ended on	For the financial year ended 31 <sup>st</sup> March		
	December 31, 2018	2018	2017	2016
Profit/(Loss)	1,148.14	742.92	532.51	300.52

11. The Company has mandatorily facilitated trading in demat securities and has entered into an agreement with both the depositories.
12. The Company has not been referred to Board for Industrial and Financial Reconstruction.
13. No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company.
14. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
15. There has been no change in the promoter(s) of the Company in the one year preceding the date of filing application to BSE for listing on SME Platform.
16. The Company has a website: [www.suichgroup.com](http://www.suichgroup.com)

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter IX of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS 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 THIS ISSUE IS**

**PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, SHALL FURNISH TO SEBI, A DUE DILIGENCE CERTIFICATE IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF SECURITIES AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.**

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Red Herring Prospectus with the Registrar of Companies, Delhi and Haryana, in terms of Section 26 and 32 of the Companies Act, 2013.

#### **DISCLAIMER STATEMENT FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGER**

Our Company, our Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than in the red herring prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website, [www.suichgroup.com](http://www.suichgroup.com) would be doing so at his or her own risk.

#### **PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGER**

For details regarding the price information and track record of the past issues handled by Pantomath Capital Advisors Private Limited, please refer “Annexure A” to this Red Herring Prospectus and the website of Book Running Lead Manager at [www.pantomathgroup.com](http://www.pantomathgroup.com).

#### **DISCLAIMER IN RESPECT OF JURISDICTION**

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakhs, pension funds with minimum corpus of Rs. 2,500 Lakhs and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Draft Red Herring Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai, Maharashtra only.



No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Red Herring Prospectus has been filed with BSE Limited for its observations and BSE Limited shall give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws, legislations and Red Herring Prospectus in each jurisdiction, including India.

#### **DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSE LIMITED**

BSE Limited (“BSE”) has given vide its letter dated April 12, 2019 permission to this Company to use its name in this offer document as one of the stock exchanges on which this company’s securities are proposed to be listed on the SME Platform BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. BSE Ltd does not in any manner:-

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this Company’s securities will be listed or will continue to be listed on BSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its promoter, its management or any scheme or project of this Company;
- iv. Warrant, certify or endorse the validity, correctness or reasonableness of the price at which the equity shares are offered by the Company and investors are informed to take the decision to invest in the equity shares of the Company only after making their own independent enquiries, investigation and analysis. The price at which the equity shares are offered by the Company is determined by the Company in consultation with the Merchant Banker (s) to the issue and the Exchange has no role to play in the same and it should not for any reason be deemed or construed that the contents of this offer document have been cleared or approved by BSE. Every person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.
- v. BSE does not in any manner be liable for any direct, indirect, consequential or other losses or damages including loss of profits incurred by any investor or any third party that may arise from any reliance on this offer document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.
- vi. The Company has chosen the SME platform on its own initiative and at its own risk, and is responsible for complying with all local laws, rules, regulations, and other statutory or regulatory requirements stipulated by BSE / other regulatory authority. Any use of the SME platform and the related services are subject to Indian Jaws and Courts exclusively situated in Mumbai.

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by BSE. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

#### **LISTING**

Application will be made to the BSE Limited” for obtaining permission to deal in and for an official quotation of our Equity Shares. BSE Limited will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The SME Platform of BSE Limited has given its in-principle approval for using its name in our Offer Document vide its letter no. LO/SME IPO/PP/IP/34/2019-20 dated April 12, 2019.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the SME Platform of BSE Limited, our Company will forthwith repay, without interest, all moneys received from the bidders in pursuance of the Red Herring Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE Limited mentioned above are taken within six Working Days from the Issue Closing Date.

#### **CONSENTS**

Consents in writing of: (a) the Directors, the Promoters, the Company Secretary & Compliance Officer, Chief Financial Officer, CEO, if any, Statutory Auditor, Banker to the Company and (b) Book Running Lead Manager, Syndicate Member, Underwriter, Market Maker, Registrar to the Issue, Public Issue Bank / Banker to the Issue and Refund Banker to the Issue, Sponsor Bank, Legal Advisor to the Issue, to act in their respective capacities will be obtained and shall be filed along with a copy of the Red Herring Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus for registration with the RoC. Our Statutory Auditor have given their written consent to the inclusion of their report in the form and context in which it appears in this Red Herring Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Red Herring Prospectus and Prospectus for filing with the RoC.

#### **EXPERT TO THE ISSUE**

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

- Report of the Statutory Auditor on Statement of Tax Benefits.
- Report of the Statutory Auditor on Restated Consolidated Financial Statements for the period ended December 31, 2018 and financial years ended March 31, 2018, 2017 and 2016 of our company.

#### **PREVIOUS RIGHTS AND PUBLIC ISSUES**

Except as stated in the chapter titled “*Capital Structure*” beginning on page 59 of this Red Herring Prospectus, we have not made any previous rights and/or public issues during last 5 years, and are an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations.

#### **COMMISSION AND BROKERAGE ON PREVIOUS ISSUES**

Since this is the initial public offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares in the last 5 years.

#### **CAPITAL ISSUE DURING THE PREVIOUS THREE YEARS BY ISSUER COMPANY AND LISTED GROUP COMPANIES / SUBSIDIARIES / ASSOCIATES**

Neither our Company nor any of our Group Companies/Subsidiaries/ Associates have undertaken any capital issue or any public or rights issue in the last three years preceding the date of this Red Herring Prospectus.

#### **PROMISE VERSUS PERFORMANCE FOR OUR COMPANY AND/OR LISTED SUBSIDIARY COMPANY AND/OR LISTED PROMOTER COMPANY**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Therefore, data regarding promise versus performance is not applicable to us. Further, none of our Subsidiaries or Promoter Companies are listed on any stock exchange, so, data regarding promise versus performance is not applicable.

#### **STOCK MARKET DATA FOR OUR EQUITY SHARES**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Thus there is no stock market data available for the Equity Shares of our Company.

## **MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

The Agreement between the Registrar and our Company provides for retention of records with the Registrar for a period of at least three years from the last date of dispatch of the letters of allotment, demat credit and unblocking of funds to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as the name, address of the bidder, UPI Id (if applicable), number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant / Bidder, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants / bidders. Anchor Investors are required to address all grievances in relation to the Issue to the BRLM.

Further, none of our subsidiary companies or Group Companies are listed on any stock exchange, so disclosure regarding mechanism for redressal of investor grievances for our subsidiary companies are not applicable.

## **DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY**

Our Company or the Registrar to the Issue or the SCSB in case of ASBA Bidders shall redress routine investor grievances within 15 working days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

We have constituted the Stakeholders Relationship Committee/ Investor Grievance Committee of the Board *vide* resolution passed at the Board Meeting held on April 23, 2018. For further details, please refer to the chapter titled “*Our Management*” beginning on page 128 of this Red Herring Prospectus.

Our Company has appointed Anuj Kumar Choudhary as Company Secretary and Compliance Officer and he/she may be contacted at the following address:

**Anuj Kumar Choudhary**

**Suich Industries Limited**

**Address:** Plot no - 68, 3rd floor,

Block no. 5 W.E.A, Naiwala,

Karol Bagh New Delhi-110005 India

**Tel:** 011-45607111

**Fax:** NA

**Email:** [info@suichgroup.com](mailto:info@suichgroup.com)

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

**Corporate Identification Number:** U51506DL2008PLC181023

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or unblocking of funds, *etc.*

## **PURCHASE OF PROPERTY**

Except as disclosed in this Red Herring Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Red Herring Prospectus.

Except as stated elsewhere in this Red Herring Prospectus, Our Company has not purchased any property in which the Promoters and / or Directors have any direct or indirect interest in any payment made there under.

## **SERVICING BEHAVIOR**

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

## SECTION VIII – ISSUE INFORMATION

### TERMS OF THE ISSUE

The Equity Shares being issued and transferred pursuant to this Issue shall be subject to the provisions of the Companies Act, 2013, SEBI ICDR Regulations, SCRA, SCRR, the Memorandum and Articles of Association, the SEBI Listing Regulations, the terms of the Red Herring Prospectus, the Abridged Prospectus, Bid cum Application Form, the Revision Form, the CAN/ the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, as applicable, guidelines, rules, 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 FIPB, the Stock Exchange, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, the RBI, the Government of India, the FIPB, the Stock Exchange, the RoC and any other authorities while granting their approval for the Issue.

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

### RANKING OF EQUITY SHARES

The Equity Shares being issued and transferred pursuant to the Issue shall be subject to the provisions of the Companies Act, 2013 our Memorandum and Articles of Association, SEBI Listing Regulations, SEBI ICDR Regulations, SCRA and shall rank pari-passu in all respects including dividend with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please refer to the section titled “*Main Provisions of Articles of Association*” beginning on page 236 of this Red Herring Prospectus.

### MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013, SEBI Listing Regulations, the Memorandum and Articles of Association, and recommended by the Board of Directors at their discretion and approved by the Shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. All dividends, declared by our Company after the date of Allotment (pursuant to the Allotment of Issued Shares), will be payable to the Bidders who have been Allotted Issued Shares, for the entire year, in accordance with applicable law. For further details, please refer to the chapter titled “*Dividend Policy*” beginning on page 148 of this Red Herring Prospectus.

### FACE VALUE AND ISSUE PRICE PER SHARE

The face value of the Equity Shares is ₹ 10 each and the Issue Price at the lower end of Price Band is ₹ [●] per Equity Share and at the higher end of the Price Band is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLM and advertised in all editions of the English national newspaper Business Standard, all editions of Hindi national newspaper Business Standard and the Regional newspaper Naya India where the Registered Office of the Company is situated, each with wide circulation, at least two Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchange for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be prefilled in the Bid cum Application Forms available on the websites of the Stock Exchange.

At any given point of time there shall be only one denomination of Equity Shares.

## **COMPLIANCE WITH SEBI ICDR REGULATIONS**

Our Company shall comply with all requirements of the SEBI ICDR Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

## **RIGHTS OF THE EQUITY SHAREHOLDERS**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive rights shares and bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013 Act, the terms of the SEBI Listing Regulations and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and / or consolidation / splitting, please refer to the section titled “*Main Provisions of Articles of Association*” beginning on page number 236 this Red Herring Prospectus.

## **ALLOTMENT OF EQUITY SHARES ONLY IN DEMATERIALISED FORM**

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations, 2018 the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

- Agreement dated April 16, 2018 amongst NSDL, our Company and the Registrar to the Issue; and
- Agreement dated May 02 2018 amongst CDSL, our Company and the Registrar to the Issue.

Since trading of the Equity Shares is in dematerialised form, the tradable lot is [●] Equity Share. Allotment in this Issue will be only in electronic form in multiples of [●] Equity Share subject to a minimum Allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

## **MINIMUM NUMBER OF ALLOTTEES**

Further in accordance with the Regulation 268 of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs or the Sponsor Bank as the case may be, shall be unblocked within 4 working days of closure of Issue.

## **JURISDICTION**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/ authorities in Mumbai, Maharashtra, India.

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

#### **JOINT HOLDERS**

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint tenants with benefits of survivorship.

#### **NOMINATION FACILITY TO BIDDERS**

In accordance with Section 72 of the Companies Act, 2013 the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- a. To register himself or herself as the holder of the Equity Shares; or
- b. To make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

#### **WITHDRAWAL OF THE ISSUE**

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager through, the Registrar to the Issue, shall notify the SCSBs or the Sponsor Bank to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchange on which Equity Shares are proposed to be listed. If the Issue is withdrawn after the designated Date, amounts that have been credited to the public Issue Account shall be transferred to the Refund Account.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is registered with the RoC. If our Company withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue/Issue for sale of the Equity Shares, our Company shall file a fresh Red Herring Prospectus.

#### **BID/ ISSUE OPENING DATE**

<b>Event</b>	<b>Indicative Date</b>
Bid / Issue Opening Date	Thursday, May 30, 2019
Bid / Issue Closing Date	Tuesday, June 04, 2019
Finalization of Basis of Allotment with the Designated Stock Exchange	Monday, June 10, 2019

Unblocking of funds from ASBA Accounts	Tuesday, June 11, 2019
Credit of Equity Shares to demat accounts of Allottees	Wednesday, June 12, 2019
Commencement of trading of the Equity Shares on the Stock Exchange	Thursday, June 13, 2019

**The above timetable is indicative and does not constitute any obligation on our Company and the BRLM. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/Issue Period by our Company, revision of the Price Band 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.**

Bids and any revision to the same shall be accepted **only between 10.00 a.m. and 5.00 p.m. (IST)** during the Bid/Issue Period. On the Bid/Issue Closing Date, the Bids 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 Exchange, in case of Bids by Retail Individual Bidders after taking into account the total number of Bids received up to the closure of timings and reported by the Book Running Lead Manager to the Stock Exchange. It is clarified that Bids not uploaded on the electronic system would be rejected. Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding public holiday).

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than 5.00 p.m. (IST) on the Bid/Issue Closing Date. All times mentioned in this Red Herring Prospectus are Indian Standard Times.

Bidders are cautioned that in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only on Business Days. Neither our Company nor the Book Running Lead Manager are liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise. Any time mentioned in this Red Herring Prospectus is Indian Standard Time.

Our Company in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

**In case of revision of the Price Band, the Bid/Issue Period will be extended for at least three additional working days after revision of Price Band subject to the Bid/ Issue Period not exceeding 10 working days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a press release and also by indicating the changes on the websites of the Book Running Lead Manager and at the terminals of the Syndicate Member.**

**In case of force majeure, banking strike or similar circumstances, the issuer may, for reasons to be recorded in writing, extend the bidding (Issue) period disclosed in the red herring prospectus (in case of a book built issue) or the Issue period disclosed in the prospectus (in case of a fixed price issue), for a minimum period of three working days, subject to the Bid/ Issue Period not exceeding 10 working days.**

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 and is 100% underwritten.

As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Red Herring Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the Issue through the Issue including devolvement of Underwriters, if any, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond fifteen days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from

the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 260(1) of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the Issue through the Offer Document and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267(2) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than ₹1,00,000/- (Rupees One Lakh) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

#### **MIGRATION TO MAIN BOARD**

Our company may migrate to the Main board of BSE Limited on a later date subject to the following:

- a) *If the Paid up Capital of our Company is likely to increase above Rs. 2,500 lakhs by virtue of any further issue of capital by way of rights issue, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the Main Board), our Company shall apply to BSE Limited for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.*

OR

- b) *If the Paid up Capital of our company is more than Rs. 1,000 lakhs but below Rs. 2,500 lakhs, our Company may still apply for migration to the Main Board and if the Company fulfils the eligible criteria for listing laid by the Main Board and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.*

*Any company desiring to migrate to the Main board from the SME Board within two years of listing on SME platform of BSE has to fulfil following conditions:*

- a) *The increase in post issue face value capital beyond ₹ 25 crore should arise only because of merger/acquisition or for expansion purposes.*
- b) *The company should have a minimum turnover of ₹ 100 crore as per last audited financials and market capitalization of ₹ 100 crore.*
- c) *The company should have a minimum profit before tax of ₹ 10 crore for two years out of three preceding years.*

*There should not be any action against the company by any regulatory agency at the time of application for migration*

#### **MARKET MAKING**

The shares issued and transferred through this Issue are proposed to be listed on the SME Platform of BSE Limited with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on the SME Platform of BSE Limited. For further details of the market making arrangement please refer to chapter titled "General Information" beginning on page 48 of this Red Herring Prospectus.

#### **ARRANGEMENT FOR DISPOSAL OF ODD LOT**

The trading of the equity shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on [●].



## **AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS ISSUE**

Reserve Bank of India vide notification no. FEMA20(R)/2017-RB dated November 07, 2017 issued the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017. The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017, 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. Reserve Bank of India also inserted new definition of Capital Instruments.

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.

## **ALLOTMENT OF SECURITIES IN DEMATERIALIZED FORM**

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange.

## **NEW FINANCIAL INSTRUMENTS**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

## **APPLICATION BY ELIGIBLE NRIs, FPI'S REGISTERED WITH SEBI, VCF'S, AIF'S REGISTERED WITH SEBI AND QFI'S**

It is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

## **RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES**

Except for (i) the lock-in of the pre-Issue Equity Shares, (ii) the minimum Promoters' contribution, and (iii) as provided in "Main Provisions of our Articles of Association" on page 236 of this Red Herring Prospectus, there are no restrictions on transfers of Equity Shares. Further, there are no restrictions on transmission of shares/ debentures and on their consolidation/ splitting except as provided in our Articles of Association. For details, please see "Main Provisions of our Articles of Association" on page 236 of this Red Herring Prospectus.

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(2) of Chapter IX of SEBI ICDR Regulations whereby, our post-Issue face value capital exceeds ten crore rupees but does not exceed twenty five crores. The Company shall issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the SME Platform of BSE Limited). For further details regarding the salient features and terms of such Issue, please refer to the chapter titled "Terms of the Issue" and "Issue Procedure" beginning on page 187 and 195 of this Red Herring Prospectus.

### Following is the Issue structure:

Initial Public Issue of 41,15,200 Equity Shares of face value of ₹ 10 each ("Equity Shares") fully paid for cash at a price of ₹ [•] (including a premium of ₹ [•] ) aggregating to ₹ [•] Lakhs. The Issue comprises a reservation of 2,08,000 Equity Shares of ₹ 10 each for subscription by the designated Market Maker ("the Market Maker Reservation Portion"). The Issue less Market Maker Reservation Portion i.e. Net Issue to the public of 39,07,200 Equity shares (the "Net Issue"). The Issue and Net Issue will constitute 27.00% and 25.63% of the post-issue paid-up Equity Share capital of our Company.

The Issue comprises a reservation of 2,08,000 Equity Shares of ₹ 10 each for subscription by the designated Market Maker ("the Market Maker Reservation Portion").

Particulars	Market Maker Reservation Portion	Non –Institutional Bidders	Retail Individual Bidders
Number of Equity Shares	2,08,000 Equity Shares	19,52,000 Equity Shares	19,55,200 Equity Shares
Percentage of Issue size / Net Issue available for allocation	5.05% of Issue Size	49.96% of the Net Issue shall be available for allocation	50.04% of the Net Issue Size available for allocation
Basis of Allotment / Allocation if respective category is oversubscribed	Firm Allotment	Proportionate	Proportionate subject to minimum Lot as explained in the chapter titled "Issue Procedure on page 195 of this Red Herring Prospectus.
Mode of Bid cum Application	Through the ASBA Process only	Through the ASBA Process only	Through ASBA Process or by using UPI ID for payment
Minimum Bid Size	2,08,000 Equity Shares	Such number of Equity shares in multiple of 1600 Equity shares that Application size exceeds ₹ 2,00,000	1600 Equity Shares in multiple of 1600 Equity shares
Maximum Bid Size	2,08,000 Equity Shares	Such number of Equity Shares in multiples of 1600 Equity Shares not exceeding the size of the Issue, subject to limits as applicable to the Bidder	Such number of Equity Shares in multiples of 1600 Equity Shares so that the Bid Amount does not exceed ₹ 2,00,000
Mode of Allotment	Compulsorily in Dematerialized mode	Compulsorily in Dematerialized mode	Compulsorily in Dematerialized mode
Trading Lot	1600 Equity Shares, however the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations	1600 Equity Shares and in multiples thereof	1600 Equity Shares and in multiples thereof
Terms of payment	In case of ASBA, The entire Bid Amount shall be blocked at the time of submission of Bid cum Application Form to the members of the Syndicate and in case of UPI as an alternate mechanism, Bid amount shall be blocked at the time of confirmation of mandate collection request by applicant.		

1) Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category

*would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange.*

- 2) In terms of Rule 19(2)(b) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018 this is an Issue for at least 25% of the post-Issue paid-up Equity Share capital of our Company. This Issue is being made through the Book Building Process, wherein allocation to the public shall be made as per Regulation 253 of the SEBI ICDR Regulations..*

In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.

## ISSUE PROCEDURE

All Bidders should review the “General Information Document for Investing in Public Issues” prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI, modified and updated pursuant to, among others, the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 notified by SEBI, the circular (CIR/CFD/DIL/1/2016) dated January 1, 2016, SEBI circular bearing number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018 (“General Information Document”), which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document has been updated to reflect the enactments and regulations, to the extent applicable to a public issue. The General Information Document shall be made available on the websites of the Stock Exchange, the Company and the Book Running Lead Manager before opening of the Issue Period.

Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendments, modifications or change in the applicable law which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Red Herring Prospectus.

Please note that all the Bidders can participate in the Issue only through the ASBA process. All Bidders shall ensure that the ASBA Account has sufficient credit balance such that the full Bid Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Bid. Please note that all Bidders are required to make payment of the full Bid Amount along with the Bid cum Application Form.

Bidders are required to submit Bids to the Selected Branches / Offices of the RTAs, DPs, Designated Bank Branches of SCSBs or to the Syndicate Members. The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Bid cum Application Form, please refer the above mentioned SEBI link.

The list of Banks that have been notified by SEBI as Issuer Banks for UPI are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. The list of Stock Brokers, Depository Participants (DP), Registrar to an Issue and Share Transfer Agent (RTA) that have been notified by BSE Limited, to act as intermediaries for submitting Bid cum Application Forms are provided on <https://www.bsesme.com>. For details on their designated branches for submitting Bid cum Application Forms, please see the above mentioned website of BSE Limited..

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

## BOOK BUILDING PROCEDURE

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) read with Regulation 252 of SEBI ICDR Regulations, 2018, the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via book building process and the allocation to the public will be made as per Regulation 253 of the SEBI ICDR Regulations.

Subject to the valid Bids being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Bidders shall not be less than the minimum Bid lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if

any, in any category would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Stock Exchange.

Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Bidders will only be in the dematerialised form. The Bid cum Application Forms which do not have the details of the Bidder's depository account including DP ID, PAN and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Bid cum Application Form and entered into the electronic system of the stock exchange, do not match with the DP ID, Client ID and PAN available in the depository database, the bid is liable to be rejected. Bidders will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchange.

### **BID CUM APPLICATION FORM**

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the Stock Exchange, the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Bid/Issue Opening Date.

*All the investors (except Retail Individual Investors) applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment. Further, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for application or also can use UPI payment mechanism for application.* The bid cum application form submitted by Retail Individual Investors (without using UPI), NIIs and QIBs must provide bidder's bank account details and authorization to block funds in the relevant space provided in the Bid cum Application Form. Further, Retail Individual Investors submitting bid cum application form using UPI shall mention the UPI of the his/her own Bank account in the bid cum application form in the relevant space and the Bid cum Application Forms that do not contain such details are liable to be rejected.

Bidders shall ensure that the Bids are made on Bid cum Application Forms bearing the stamp of the syndicate member/ SCSBs/ RTA/ DPs/ stock brokers, submitted at the Collection Centres only (except in case of electronic Bid cum Application Forms) and the Bid cum Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

<b>Category</b>	<b>Color of Bid cum application Form*</b>
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis	Blue

*\*excluding electronic Bid cum Application Form*

Designated Intermediaries (other than SCSBs) after accepting application form submitted by RIIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid cum Application Forms to respective SCSBs where the Bidder has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the application form, respective intermediary shall capture and upload the relevant bid details, including UPI ID, in the electronic bidding system of stock exchange(s).

Applicants shall only use the specified Application Form for the purpose of making an application in terms of the Red Herring Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Bid.

Applicants are required to submit their applications only through any of the following Application Collecting Intermediaries:

- i) an SCSB, with whom the bank account to be blocked, is maintained
- ii) a syndicate member (or sub-syndicate member)
- iii) a stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
- iv) a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
- v) a registrar to an Issue and share transfer agent (RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as 'Intermediaries'), and intending to use UPI, shall also enter their UPI ID in the bid-cum-application form.

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For applications submitted by investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs without use of UPI for payment	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment	After accepting the application form, respective intermediary shall capture and upload the relevant bid details, including UPI ID, in the electronic bidding system of stock exchange(s). Stock Exchange shall share bid details including the UPI ID with Sponsor Bank on a continuous basis, to enable Sponsor Bank to initiate mandate request on investors for blocking of funds. Sponsor Bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his / her mobile application, associated with UPI ID linked bank account.

Stock exchange(s) shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange(s) shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Red Herring Prospectus, without prior or subsequent notice of such changes to the Applicants.

## WHO CAN BID?

***Each Bidder should check whether it is eligible to apply under applicable law.*** Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the RHP for more details.

Subject to the above, an illustrative list of Bidders is as follows:

1. Indian nationals resident in India who are not incompetent to contract in single or joint names (not more than three) or in the names of minors through natural/legal guardian;

2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidders should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Bids by HUFs would be considered at par with those from individuals;
3. Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
4. Mutual Funds registered with SEBI;
5. Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
6. Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
7. FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI
8. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
9. State Industrial Development Corporations;
10. 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;
11. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
12. Insurance Companies registered with IRDA;
13. Provident Funds and Pension Funds with minimum corpus of ₹ 2,500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
14. Multilateral and Bilateral Development Financial Institutions;
15. 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;
16. Insurance funds set up and managed by army, navy or air force of the Union of India or by Department of Posts, India;
17. Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws

As per the existing regulations, OCBs cannot participate in this Issue.

In addition to the category of Bidders set forth *above*, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs and sub-accounts registered with SEBI other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporates or foreign individuals only under the Non Institutional Investors (NIIs) category;
- Scientific and / or industrial research organizations authorized in India to invest in the Equity Shares.

#### **MAXIMUM AND MINIMUM APPLICATION SIZE**

##### **(a) For Retail Individual Bidders:**

The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Bid Amount payable by the Bidder does not exceed ₹ 2,00,000. In case of revision of Bid, the Retail Individual Bidders have to ensure that the Bid Amount does not exceed ₹ 2,00,000.

##### **(b) For Other Bidders (Non-Institutional Bidders and QIBs):**

The Bid cum Application must be for a minimum of such number of Equity Shares such that the Bid Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter. A Bid cannot be submitted for more than the Issue Size. However, the maximum Bid by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. A QIB and a Non-Institutional Bidder cannot withdraw or lower the size of their Bid at any stage and are required to pay the entire Bid Amount upon submission of the Bid. The identity of QIBs applying in the Net Issue shall not be made public during the Issue Period. In case of revision

in Bid, the Non-Institutional Bidders, who are individuals, have to ensure that the Bid Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

#### **METHOD OF BIDDING**

- a) Our Company in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Issue and the same shall be advertised in all editions of English national newspaper Business Standard, all editions of Hindi national newspaper Business Standard and New Delhi editions of Regional newspaper Naya India, Hindi being the local language of New Delhi, where our registered office is situated] each with wide circulation at least two Working Days prior to the Bid/ Issue Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid/ Issue Period.
- b) The Bid/ Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid/ Issue Period maybe extended, if required, by an additional three Working Days, subject to the total Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be published in all editions of English national newspaper Business Standard, all editions of Hindi national newspaper Business Standard and New Delhi editions of Regional newspaper Naya India, Hindi being the local language of New Delhi, where our registered office is situated] each with wide circulation and also by indicating the change on the websites of the BRLM.
- c) During the Bid/ Issue Period, Retail Individual Bidders, should approach the BRLM or their authorised agents to register their Bids. The BRLM shall accept Bids from all non-ASBA Bidders and from the ASBA Bidders in Specified Cities and it shall have the right to vet the Bids during the Bid/ Issue Period in accordance with the terms of the Red Herring Prospectus. ASBA Bidders should approach the Designated Branches or the BRLM (for the Bids to be submitted in the Specified Cities) to register their Bids.
- d) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- e) The Bidder/Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Build up of the Book and Revision of Bids”.
- f) The BRLM/the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form

#### **INDICATIVE PROCESS FLOW FOR APPLICATIONS IN PUBLIC ISSUE**

##### **Channels of submission of bid cum application forms –**

1. Pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, with the introduction of UPI as a payment mechanism, there are four channels of making application in public issue in Phase I (i.e. for a period of 3 months from January 01, 2018 or floating of 5 main board public issues, whichever is later) would be as below:

<b>Category of Investor</b>	<b>Channel I</b>	<b>Channel II</b>	<b>Channel III</b>	<b>Channel IV</b>
Retail Individual Investor (RII)	RIIs may submit the Bid cum Application Form with ASBA as the sole mechanism for making	RIIs may submit the Bid cum Application Form online using the facility of linked online trading,	RIIs may submit the Bid cum Application Form with any of the Designated Intermediaries, along with details of	RIIs may submit the Bid cum Application Form with any of the Designated Intermediaries and use his/her UPI ID for the



Category of Investor	Channel I	Channel II	Channel III	Channel IV
	payment either physically (at the branch of the SCSB) or online.	demat and bank account (3-in-1 type accounts) provided by Registered Brokers.	his/her ASBA Account for blocking of funds.	purpose of blocking of funds.
Non-Institutional Investor (NII)	For such applications the existing process of uploading the bid and blocking of funds in the RIIs account by the SCSB would continue.		For such applications the Designated Intermediary will upload the bid in the stock exchange bidding platform and forward the application form to Designated Branch of the concerned SCSB for blocking of funds.	Not Applicable

2. Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form, prior to uploading such Bids with the Stock Exchange.
3. If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.
4. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.
5. The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

**Process for RII application submitted with intermediary with UPI as mode of payment –**

In addition to existing channels of making application, with effect from January 01, 2019, a RII would also have the option to submit bid-cum-application form with any of the intermediary and use his / her bank account linked UPI ID for the purpose of blocking of funds. The detailed process in this regard is as detailed hereunder:

**Bidding and validation process –**

- a) submission of the application with the intermediary, the RII would be required to have / create a UPI ID, with a maximum length of 45 characters including the handle (Example: InvestorID@bankname).
- b) RII will fill in the bid details in the application form along with his/ her bank account linked UPI ID and submit the application with any of the intermediary.
- c) The intermediary upon receipt of form will upload the bid details along with UPI ID in the stock exchange bidding platform.
- d) Once the bid has been entered in the bidding platform, the exchange will undertake validation of the PAN and Demat Account details of RII with the depository.
- e) Depository will validate the aforesaid bid details on a real time basis and send response to stock exchange which would be shared by stock exchange with intermediary through its platform, for corrections, if any.

- f) SMS from exchange to RII for bidding: Once the bid details are uploaded on the stock exchange platform, the stock exchange shall send an SMS to the RII regarding submission of his / her application, daily at the end of day basis, during bidding period. For the last day of bidding, the SMS may be sent out the next working day.

#### **The Block Process –**

- a) Post undertaking validation with depository, the stock exchange will, on a continuous basis, electronically share the bid details along with RIIs UPI ID, with the Sponsor Bank appointed by the issue.
- b) The Sponsor Bank will initiate a mandate request on the RII i.e. request the RII to authorize blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment.
- c) The request raised by the Sponsor Bank, would be electronically received by the RII as a SMS / intimation on his / her mobile no. / Mobile app, associated with UPI ID linked bank account.
- d) The RII would be able to view the amount to be blocked as per his / her bid in such intimation. The RII would also be able to view an attachment wherein the IPO bid details submitted by RII will be visible. After reviewing the details properly, RII would be required to proceed to authorize the mandate. Such mandate raised by sponsor bank would be a one-time mandate for each application in the IPO.
- e) Upon successful validation of block request by the RII, as above, the said information would be electronically received by the RIIs' bank, where the funds, equivalent to application amount, would get blocked in RIIs account. Intimation regarding confirmation of such block of funds in RIIs account would also be received by the RII.
- f) The information containing status of block request (e.g. – accepted / decline / pending) would also be shared with the Sponsor Bank, which in turn would be shared with stock exchange. The block request status would also be displayed on stock exchange platform for information of the intermediary.
- g) The information received from Sponsor Bank, would be shared by stock exchange with RTA in the form of a file for the purpose of reconciliation.
- h) RIIs would continue to have the option to modify or withdraw the bid till the closure of the bidding period. For each such modification of bid, RII will submit a revised bid and shall receive a mandate request from sponsor bank to be validated as per the process indicated above.

Post closure of the Issue, the stock exchange will share the Bid details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.

#### **NUMBER OF APPLICATIONS PER BANK ACCOUNT**

An investor making application using any of channels under UPI Payments Mechanism, shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application in public issues. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. Sponsor Bank shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. RTA shall undertake technical rejection of all applications to reject applications made using third party bank account.

#### **BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS**

- (a) Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- (b) Our Company in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- (c) The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.

- (d) Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. In case of Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the Bidders shall instruct the SCSBs to block an amount based on the Cap Price.
- (e) In case of Bids submitted using UPI ID for payment the same shall be revised by using UPI ID only.

#### **INFORMATION FOR THE BIDDERS**

- (a) Our Company shall register the Red Herring Prospectus with the RoC at least three working days before the Bid Issue Opening Date.
- (b) Our Company shall, after registering the Red Herring Prospectus with the RoC, make a pre- Issue advertisement, in the form prescribed under the SEBI ICDR Regulations, in English and Hindi national newspapers and one regional newspaper with wide circulation. In the pre- Issue advertisement, our Company and the Book Running Lead Manager shall advertise the Issue Opening Date, the Issue Closing Date. This advertisement, subject to the provisions of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.
- (c) The Price Band as decided by our Company in consultation with the Book Running Lead Manager is ₹ [●] per Equity Share. The Floor Price of Equity Shares is ₹ [●] per Equity Share and the Cap Price is ₹ [●] per Equity Share and the minimum bid lot is of [●] Equity Shares. Our Company shall also announce the Price Band at least two Working Days before the Issue Opening Date in English and Hindi national newspapers and one regional newspaper with wide circulation.
- (d) This announcement shall contain relevant financial ratios computed for both upper and lower end of the Price Band subject to the provisions of regulation 250 of the SEBI ICDR Regulations. Further, this announcement shall be disclosed on the websites of the Stock Exchange where the Equity Shares are proposed to be listed and shall also be prefilled in the Bid cum Application Forms available on the websites of the stock exchange.
- (e) The Issue Period shall be for a minimum of three Working Days. In case the Price Band is revised, the Issue Period shall be extended, by a minimum of three Working Days, subject to the total Issue Period not exceeding ten Working Days. Also, in case of force majeure, banking strike or similar circumstances, the Issuer may, for reasons to be recorded in writing, extend the Issue Period for a minimum of three working days subject to the total Issue Period not exceeding ten working days. The revised Price Band and Issue Period will be widely disseminated by notification to the SCSBs and Stock Exchange, and by publishing in English and Hindi national newspapers and one regional newspaper with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager and at the terminals of the members of the Syndicate.

The Bidders should note that in case the PAN, the DP ID and Client ID mentioned in the Bid cum Application Form and entered into the electronic bidding system of the Stock Exchange by the Syndicate Member does not match with the PAN, DP ID and Client ID available in the database of Depositories, the Bid cum Application Form is liable to be rejected.

#### **OPTION TO SUBSCRIBE IN THE ISSUE**

- (a) As per Section 29(1) of the Companies Act, 2013 allotment of Equity Shares shall be in dematerialized form only.
- (b) The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.

A single Bid cum application from any investor shall not exceed the investment limit / minimum number of specified securities that can be held by him/her/it under the relevant regulations / statutory guidelines and applicable law.

#### **AVAILABILITY OF RED HERRING PROSPECTUS AND BID CUM APPLICATION FORM**

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and Stock Exchange at least one day prior to the Bid/Issue Opening Date.

#### **PARTICIPATION BY ASSOCIATED/ AFFILIATES OF BOOK RUNNING LEAD MANAGER AND SYNDICATE MEMBERS**

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and

the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the 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. All categories of investors, including associates or affiliates of BRLM and syndicate members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Promoter and Promoter Group and any persons related to our Promoters and Promoter Group cannot participate in the Issue.

#### **BIDS BY MUTUAL FUNDS**

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum 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 Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids 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.

#### **BIDS BY ELIGIBLE NRI'S**

NRIs may obtain copies of Bid cum Application Form from the offices of the BRLM and the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non- Resident Forms should authorize their SCSB to block their Non-Resident External (NRE) accounts, or Foreign Currency Non-Resident (FCNR) ASBA Accounts. Eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non Resident Ordinary (NRO) accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

#### **BIDS BY FPI INCLUDING FIIs**

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

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 (Foreign Portfolio Investor) Regulations, 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% and 24% 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. For arriving at the ceiling on holdings of FIIs, shares/ convertible debentures acquired both through primary as well as secondary market will be included. However, the ceiling will not include investment made by FII through off-shore Funds, Global Depository receipts and Euro- Convertible Bonds. With regard to convertible debentures, these investments permitted to be made shall not exceed 5 % of the total paid-up equity capital or 5% of the paid-up value of each series of convertible debentures issued by an Indian Company, and shall also not exceed the over-all ceiling limit of 24 % of paid-up equity capital or paid up value of each series of convertible debentures.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may Issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is Issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event

(i) such offshore derivative instruments are Issued only to persons who are regulated by an appropriate regulatory authority; and

(ii) such offshore derivative instruments are Issued after compliance with know your client norms. An FPI is also required to ensure that no further Issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non- Residents (blue in colour).

#### **BIDS BY SEBI REGISTERED VCFs, AIFs and FVCIs**

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

**Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.**

**There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.**

**All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.**

#### **BIDS BY LIMITED LIABILITY PARTNERSHIPS**

In case of Bids 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 Bid cum Application Form. Failing this, our Company reserves the right to reject any bid without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

#### **BIDS BY INSURANCE COMPANIES**

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

- (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: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- (c) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under 1, 2 and 3 above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

#### **BIDS UNDER POWER OF ATTORNEY**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- (a) With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
- (b) With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form.
- (c) With respect to Bids made by provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 Lakhs, 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 Bid cum Application Form.
- (d) With respect to Bids 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 Bid cum Application Form
- (e) Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company and the BRLM may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the Book Running Lead Manager and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the

applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus.

#### **BIDS BY PROVIDENT FUNDS/PENSION FUNDS**

In case of Bids made by provident funds with minimum corpus of ₹ 25 Crore (subject to applicable law) and pension funds with minimum corpus of ₹ 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Bid Cum Application Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

#### **BIDS BY BANKING COMPANY**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum application Form, failing which our Company reserve the right to reject any Bid by a banking company without assigning any reason.

Bid cum Application Form, failing which our Company reserve the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended ("Banking Regulation Act"), and the Reserve Bank of India ("Financial Services provided by Banks") Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a nonfinancial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

#### **BIDS BY SCSBs**

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Bid cum applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making Bid cum application in public issues and clear demarcated funds should be available in such account for such Bid cum applications.

#### **TERMS OF PAYMENT**

##### **Terms of Payment**

The entire Issue price of ₹ [●] per share is payable on Bid cum application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar to the Issue shall instruct the SCSBs or Sponsor Bank to unblock the excess amount blocked.

SCSBs or Sponsor Bank will transfer the amount as per the instruction received by the Registrar to the Public Issue Bank Account, post finalisation of basis of Allotment. The balance amount after transfer to the Public Issue Account shall be unblocked by the SCSBs or Sponsor Bank.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar or Sponsor Bank is not prescribed by SEBI and has been established as an arrangement between our Company, Sponsor Bank, the Bankers to the Issue, the BRLM and the Registrar to the Issue to facilitate collections from the Bidders.

##### **Payment mechanism for Bidders**

Bidders must specify the Bank Account number, or the UPI ID, as applicable, in the Bid cum Application Form. The Bid cum Application Form submitted by a Bidder and which is accompanied by cash, demand draft, cheque,

money order, postal order or any mode of payment other than blocked amounts in the ASBA Account, may not be accepted. The SCSB or Sponsor Bank shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the bid cum application or receipt of instructions from the Registrar to unblock the Application Amount.

However, Non Retail Bidders shall neither withdraw nor lower the size of their bid cum applications at any stage. In the event of withdrawal or rejection of the Bid cum Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the bid cum application by the ASBA Applicant, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

#### **ELECTRONIC REGISTRATION OF BIDS**

- a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchange. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.
- b) On the Bid/ Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchange.
- c) Only Bids that are uploaded on the Stock Exchange Platform are considered for allocation/Allotment. In the Phase 1, the Designated Intermediaries are given till 1:00 pm on the day following the Bid/ Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/ Issue Period after which the Stock Exchange send the bid information to the Registrar to the Issue for further processing.

#### **BUILD UP OF THE BOOK**

- a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Issue Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centres during the Bid/ Issue Period.

#### **WITHDRAWAL OF BIDS**

- a) RIIs can withdraw their Bids until Bid/ Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/ Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB or Sponsor Bank in the ASBA Account.
- b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

#### **PRICE DISCOVERY AND ALLOCATION**

- a) Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalise the Issue Price.
- b) The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of



the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.

- c) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- d) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

#### **Illustration of the Book Building and Price Discovery Process**

Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue.

Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹ 20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

<b>Bid Quantity</b>	<b>Bid Amount (₹)</b>	<b>Cumulative Quantity</b>	<b>Subscription</b>
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100%
2,000	21	5,000	166.67%
2,500	20	7,500	250%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Issuer in consultation with the BRLM, may finalize the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

#### **SIGNING OF UNDERWRITING AGREEMENT AND REGISTERING OF RED HERRING PROSPECTUS/ PROSPECTUS WITH ROC**

- (a) Our Company have entered into an Underwriting agreement dated April 04, 2019.
- (b) A copy of the Red Herring Prospectus and Prospectus will be registered with the RoC in terms of Section 32 of the Companies Act, 2013 and section 26 of the Companies Act, 2013.

#### **PRE-ISSUE ADVERTISEMENT**

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in: (i) English National daily Newspaper; (ii) Hindi National daily Newspaper; and (iii) Regional Newspaper, each with wide circulation at the place where the Registered Office of the Company is situated. In the pre-Issue advertisement, we shall state the Bid Opening Date and the Bid Closing Date and the floor price or price band along with the necessary details subject to Regulation 250 of the SEBI ICDR Regulations. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations.

#### **ADVERTISEMENT REGARDING ISSUE PRICE AND PROSPECTUS**

Our Company will issue a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Issue Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

#### **ISSUANCE OF CONFIRMATION NOTE (“CAN”) AND ALLOTMENT IN THE ISSUE**

- a) Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs or Sponsor Bank a list of their Bidders who have been allocated Equity Shares in the Issue.

- b) The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

#### DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

- a) **Designated Date:** On the Designated Date, the Registrar to the Issue shall instruct the SCSBs or Sponsor Bank to unblock funds represented by allocation of Equity Shares from ASBA Accounts into the Public Issue Account.
- b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. **Bidders are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.**
- Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders who have been Allotted Equity Shares in the Issue.
- c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Bidders Depository Account will be completed within 4 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Bidder depository account is completed within one Working Day from the date of Allotment, after the funds are transferred from the Public Issue Account on the Designated Date.

#### GENERAL INSTRUCTIONS

##### A. Do's and Don'ts

###### Do's:

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID and Client ID, UPI ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
6. If the first applicant is not the account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
7. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
8. QIBs, Non-Institutional Bidders and the Retail Bidders should submit their Bids through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, RII may submit their bid by using UPI mechanism for payment.
9. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
10. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options;
11. Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified

Locations), the SCSBs, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);

12. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
14. Ensure that the Demographic Details are updated, true and correct in all respects;
15. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
16. Ensure that the category and the investor status is indicated;
17. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc, relevant documents are submitted;
18. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
19. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
20. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
21. Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Bid cum Application Form;
22. Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Issue;
23. Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
24. Ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
25. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and
26. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Don'ts:**

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by

stock invest;

4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
6. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not Bid for a Bid Amount exceeding ₹ 2,00,000 (for Bids by Retail Individual Bidders);
10. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
11. Do not submit the General Index Register number instead of the PAN;
12. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
13. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
14. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
15. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
16. Do not submit a Bid by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Bids made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

#### **B. Instructions for completing the Bid Form**

Bidders may note that forms not filled completely or correctly as per instructions provided in this RHP, the General Information Document which shall be made available on the website of the Stock Exchange, the Issuer and the BRLM, and the Bid cum Application Form/ Application Form are liable to be rejected. Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below.

The samples of the Bid cum Application Form for resident Bidders and the Bid cum Application Form for non-resident Bidders are reproduced below:

# R Bid cum Application Form

<b>COMMON BID REVISION FORM</b>	<b>XYZ LIMITED - INITIAL PUBLIC OFFER - R</b> Registered Office: ..... Tel: ..... Fax: ..... Corporate Office: ..... Tel: ..... Fax: ..... Contact Person: ..... E-mail: ..... Website: ..... Corporate Identity Number: .....	FOR RESIDENT INDIAN INVESTORS, INCLUDING RESIDENT QIBS, NON-INSTITUTIONAL BIDDERS, RETAIL INDIVIDUAL BIDDERS AND ELIGIBLE NRI APPLYING ON A NON-REPATRIATION BASIS
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LOGO	To, <b>The Board of Directors</b> <b>XYZ LIMITED</b>	<b>100% BOOK BUILT OFFER</b> ISIN : XXXXXXXXX	<b>Bid cum Application Form No.</b>
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SYNDICATE MEMBER'S STAMP & CODE	REGISTERED BROKER / SCSB / CDP / RTA STAMP & CODE	<b>1. NAME &amp; CONTACT DETAILS OF SOLE / FIRST BIDDER</b> Mr./Ms./M/s. _____ Address _____ _____ Email _____ Tel. No. (with STD code) / Mobile _____
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	SCSB BRANCH STAMP & CODE	<b>2. PAN OF SOLE / FIRST BIDDER</b> _____
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	<b>3. BIDDER'S DEPOSITORY ACCOUNT DETAILS</b> <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

**PLEASE CHANGE MY BID**

Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised)										Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only)				"Cut-off" (Please ✓ tick)		
	(In Figures)										(In Figures Only)						
	8	7	6	5	4	3	2	1	Bid Price	Retail Discount		Net Price					
Option 1																	
(OR) Option 2																	
(OR) Option 3																	

Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised)										Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only)				"Cut-off" (Please ✓ tick)		
	(In Figures)										(In Figures Only)						
	8	7	6	5	4	3	2	1	Bid Price	Retail Discount		Net Price					
Option 1																	
(OR) Option 2																	
(OR) Option 3																	

<b>6. PAYMENT DETAILS (IN CAPITAL LETTERS)</b>		PAYMENT OPTION : FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/>
Additional Amount Blocked (₹ in figures) _____ (₹ in words) _____		
ASBA Bank A/c No.	_____	
Bank Name & Branch	_____	
OR UPI Id (Maximum 45 characters)	_____	

I/WE (ON BEHALF OF JOINT BIDDERS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID REVISION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE BIDDERS' UNDERTAKING AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT BIDDERS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID REVISION FORM GIVEN OVERLEAF.

<b>7A. SIGNATURE OF SOLE / FIRST BIDDER</b>  Date : _____, 2018	<b>7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)</b> I/We authorise the SCSB to do all acts as are necessary to make the application in the Offer. 1) _____ 2) _____ 3) _____	SYNDICATE MEMBER / REGISTERED BROKER / SCSB / CDP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
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LOGO	<b>XYZ LIMITED</b> BID REVISION FORM - INITIAL PUBLIC OFFER - R	Acknowledgement Slip for Syndicate Member/ Registered Broker/SCSB/CDP/RTA	<b>Bid cum Application Form No.</b>
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DPID / CLID	_____	PAN of Sole / First Bidder	_____
Additional Amount Blocked (₹)	ASBA Bank A/c No./UPI Id	Stamp & Signature of SCSB Branch	
Bank Name & Branch	_____		
Received from Mr./Ms./M/s.	_____		
Telephone / Mobile	Email		

XYZ LIMITED- BID REVISION FORM - INITIAL PUBLIC OFFER - R	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th></th> <th>Option 1</th> <th>Option 2</th> <th>Option 3</th> </tr> <tr> <td>No. of Equity Shares</td> <td></td><td></td><td></td> </tr> <tr> <td>Bid Price</td> <td></td><td></td><td></td> </tr> <tr> <td>Additional Amount Blocked (₹)</td> <td></td><td></td><td></td> </tr> </table>		Option 1	Option 2	Option 3	No. of Equity Shares				Bid Price				Additional Amount Blocked (₹)				Stamp & Signature of Syndicate Member / Registered Broker / SCSB / CDP / RTA	Name of Sole / First Bidder _____ _____
	Option 1	Option 2	Option 3																
No. of Equity Shares																			
Bid Price																			
Additional Amount Blocked (₹)																			
ASBA Bank A/c No./UPI Id _____ Bank Name & Branch _____		Acknowledgement Slip for Bidder																	
Important Note : Application made using third party UPI Id Or ASBA Bank A/c are liable to be rejected.		<b>Bid cum Application Form No.</b>																	

**XYZ LIMITED**

# NR Bid cum Application ASBA Form

**COMMON BID CUM APPLICATION FORM**

**XYZ LIMITED - INITIAL PUBLIC OFFER - NR**  
Registered Office: ..... Corporate Office: ..... Contact Person: ..... Corporate Identity Number: .....

FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIs, FVCI, FPI AND REGISTERED BILATERAL AND MULTI LATERAL DEVELOPMENT FINANCIAL INSTITUTIONS APPLYING ON A REPATRIATION BASIS

LOGO

To,  
**The Board of Directors**  
**XYZ LIMITED**

**100% BOOK BUILT OFFER**  
**ISIN : XXXXXXXXX**

**Bid cum Application Form No.**

SYNDICATE MEMBER'S STAMP & CODE  
  
 SUB-BROKER'S / SUB-AGENT'S STAMP & CODE  
  
 BANK BRANCH SERIAL NO.

REGISTERED BROKER/SCSB/CDP/RTA STAMP & CODE  
  
 SCSB BRANCH STAMP & CODE  
  
 SCSB SERIAL NO.

**1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER**  
 Mr./Ms./M/s. \_\_\_\_\_  
 Address \_\_\_\_\_  
 \_\_\_\_\_  
 Email \_\_\_\_\_  
 Tel. No. (with STD code) / Mobile \_\_\_\_\_

**2. PAN OF SOLE / FIRST BIDDER**

**3. BIDDER'S DEPOSITORY ACCOUNT DETAILS**     NSDL     CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

**4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")**  

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)								Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures only)			"Cut-off" (Price ✓ tick)
	8	7	6	5	4	3	2	1	Bid Price	Retail Discount	Net Price	
Option 1												<input type="checkbox"/>
(OR) Option 2												<input type="checkbox"/>
(OR) Option 3												<input type="checkbox"/>

**5. CATEGORY**  
 Retail Individual Bidder  
 Non-Institutional Bidder  
 QIB

**6. INVESTOR STATUS**  
 NRI Non-Resident Indian(s) (Repatriation basis)  
 FVCI Foreign Venture Capital Investor  
 FPI Foreign Portfolio Investor  
 RBMI Registered Bilateral and Multi Lateral Development Financial Institutions  
 OTH Others (Please Specify)

**7. PAYMENT DETAILS [IN CAPITAL LETTERS]**    PAYMENT OPTION:  FULL PAYMENT     PART PAYMENT  
 Amount blocked (₹ in figures) \_\_\_\_\_ (₹ in words) \_\_\_\_\_  
 ASBA Bank A/c No. \_\_\_\_\_  
 Bank Name & Branch \_\_\_\_\_  
 or  
 UPI (Maximum 45 characters) \_\_\_\_\_

I/WE (ON BEHALF OF JOINT BIDDERS IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABBREVIATED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE BIDDERS' UNDERTAKING AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT BIDDERS IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

**8A. SIGNATURE OF SOLE / FIRST BIDDER**  
  
 Date : \_\_\_\_\_, 2018

**8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)**  
 I/We authorise the SCSB to do all acts as are necessary to make the application in the Offer.  
 1) \_\_\_\_\_  
 2) \_\_\_\_\_  
 3) \_\_\_\_\_

SYNDICATE MEMBER / REGISTERED BROKER / SCSB / CDP / RTA STAMP  
 (Acknowledging upload of Bid in Stock Exchange system)

TEAR HERE

LOGO

**XYZ LIMITED**  
**INITIAL PUBLIC OFFER - NR**

**Acknowledgement Slip for Syndicate Member/Registered Broker/SCSB/CDP/RTA**

**Bid cum Application Form No.**

DPID  
CLID

PAN of Sole / First Bidder

Amount blocked (₹ in figures) \_\_\_\_\_ ASBA Bank A/c No./UPI \_\_\_\_\_  
 Bank Name & Branch \_\_\_\_\_

Stamp & Signature of SCSB Branch

Received from Mr./Ms./M/s. \_\_\_\_\_  
 Telephone / Mobile \_\_\_\_\_ Email \_\_\_\_\_

TEAR HERE

**XYZ LIMITED - INITIAL PUBLIC OFFER - NR**  

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Blocked (₹)			

 ASBA Bank A/c No./UPI \_\_\_\_\_  
 Bank Name & Branch \_\_\_\_\_

Stamp & Signature of Syndicate Member / Registered Broker / SCSB / CDP / RTA  
  
**Name of Sole / First Bidder** \_\_\_\_\_  
  

**Acknowledgement Slip for Bidder**

**Bid cum Application Form No.** \_\_\_\_\_

Important Note : Application made using third party UPI Or ASBA Bank A/c are liable to be rejected.

**XYZ LIMITED**

## 1. FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/ FIRST BIDDER

Bidders should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

- a. **Mandatory Fields:** Bidders should note that the name and address fields are compulsory and e-mail and/or telephone number/ mobile number fields are optional. Bidders should note that the contact details mentioned in the Bid cum Application Form may be used to dispatch communications (letters notifying the unblocking of the bank accounts of Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer, the members of the Syndicate the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- b. **Joint Bids:** In the case of Joint Bids, the Bids should be made in the name of the Bidders whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidders would be required in the Bid cum Application Form/Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

## 2. FIELD NUMBER 2: PAN NUMBER OF SOLE /FIRST BIDDER

- a. PAN (of the sole/ first Bidder) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.
- b. PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids on behalf of the Central or State Government, Bids by officials appointed by the courts and Bids by Bidders residing in Sikkim ("PAN Exempted Bidders"). Consequently, all Bidders, other than the PAN Exempted Bidders, are required to disclose their PAN in the Bid cum Application Form, irrespective of the Bid Amount. A Bid cum Application Form without PAN, except in case of Exempted Bidders, is liable to be rejected. Bids by the Bidders whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.
- c. The exemption for the PAN Exempted Bidders is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.
- d. Bid cum Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- e. Bids by Bidders whose demat accounts have been "suspended for credit" are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and Demographic Details are not provided by depositories.

## 3. FIELD NUMBER 3: BIDDERS DEPOSITORY ACCOUNT DETAILS

- a. Bidders should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form. The DP ID and Client ID provided in the Bid cum Application Form should match with the DP ID and Client ID available in the Depository database, otherwise, the Bid cum Application Form is liable to be rejected.
- b. Bidders should ensure that the beneficiary account provided in the Bid cum Application Form is active.
- c. Bidders should note that on the basis of DP ID and Client ID as provided in the Bid cum Application Form, the Bidders may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidders as available on the records of the depositories. These Demographic Details may be used, among other things, for sending allocation advice and for other correspondence(s) related to an Issue.
- d. Bidders are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders' sole risk.

#### 4. FIELD NUMBER 4: BID OPTIONS

- a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the Red Herring Prospectus by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least two Working Days before Bid/ Issue Opening Date in case of an IPO, and at least one Working Day before Bid/ Issue Opening Date in case of an FPO.
- b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs undertaken through the Book Building Process. Cut-Off Price: Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.
- c) **Cut-Off Price:** Retail Individual Investors or Employees or Retail Individual Shareholders Can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.
- d) **Minimum Bid Value and Bid Lot:** The Issuer in consultation with the BRLM may decide the minimum number of Equity Shares for each Bid to ensure that the minimum Bid value is ₹ 1,00,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of price band.
- e) **Allotment:** The Allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. Also, in case if the RII category is entitled to more than the allocated equity shares on proportionate basis, the RII category shall be allotted that higher percentage. For details of the Bid Lot, Bidders may to the RHP or the advertisement regarding the Price Band published by the Issuer.

##### 4.1. Maximum and Minimum Bid Size

- a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Bidders and Retail Individual Shareholders must be for such number of shares, so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed ₹ 200,000. Bids by Eligible Employees must be for such number of Equity Shares, so as to ensure that the Bid Amount less Discount (as applicable) does not exceed ₹ 500,000. However, Allotment to Eligible Employees in the Employee Reservation Portion may exceed ₹ 200,000 only in the event of an under subscription in the Employee Reservation Portion and such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion for a value in excess of ₹ 200,000, subject to the total Allotment to Eligible Employee not exceeding ₹ 500,000.

In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category (with it not being eligible for Discount, if any) then such Bid may be rejected if it is at the Cut-off Price.

For NRIs, a Bid Amount of up to ₹ 200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding ₹ 200,000 may be considered under the Non-Institutional Category for the purposes of allocation.

- b) Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to Bid at Cut off Price.
- c) RII may revise or withdraw their bids until Bid/ Issue Closing Date. QIBs and NII's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after Bidding and are required to pay the Bid Amount upon submission of the Bid.
- d) In case the Bid Amount reduces to ₹ 200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Investors who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.
- e) A Bid cannot be submitted for more than the Issue size.



- I. The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.
- II. The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the Issue Price, the number of Equity Shares Bid for by a Bidder at or above the Issue Price may be considered for Allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process.

#### **4.2 Multiple Bids**

- a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.
- b) Bidders are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple Bids:
  - i. All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.
  - ii. For Bids from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.
- c) The following Bids may not be treated as multiple Bids:
  - i. Bids by Reserved Categories Bidding in their respective Reservation Portion as well as bids made by them in the Issue portion in public category.
  - ii. Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.
  - iii. Bids by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

#### **5. FIELD NUMBER 5: CATEGORY OF BIDDERS**

- a) The categories of Bidders identified as per the SEBI ICDR Regulations, 2018 for the purpose of Bidding, allocation and allotment in the Issue are RIIs, NIIs and QIBs.
- b) An Issuer can make reservation for certain categories of Bidders as permitted under the SEBI ICDR Regulations, 2018. For details of any reservations made in the Issue, Bidders may refer to the RHP.
- c) The SEBI ICDR Regulations, 2018, specify the allocation or allotment that may be made to various categories of Bidders in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation Bidder may refer to the RHP.

#### **6. FIELD NUMBER 6: INVESTOR STATUS**

- (a) Each Bidder should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue follows the investment restrictions under applicable law.
- (b) Certain categories of Bidder, such as NRIs, FPIs and FVCIs may not be allowed to Bid/apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Bidders are requested to refer to the Red Herring Prospectus for more details.
- (c) Bidders should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.
- (d) Bidders should ensure that their investor status is updated in the Depository records.

## 7. FIELD NUMBER 7: PAYMENT DETAILS

- a) Bidders are required to enter either the ASBA Bank account details or the UPI ID in this field. In case the Bidder doesn't provide any of the ASBA Bank account details or the UPI ID then the application would be rejected. For application submitted to Designated Intermediaries (other than SCSBs), Bidder providing both the ASBA Bank account details as well as the UPI ID, the UPI ID will be considered for processing of the application
- b) The full Bid Amount (net of any Discount, as applicable) shall be blocked based on the authorization provided in the Bid cum Application Form. If the Discount is applicable in the Issue, the RIIs and Retail Individual Shareholders and Employees Bidding in the Employee Reservation Portion (if any) should indicate the full Bid Amount in the Bid cum Application Form and the payment shall be blocked for the Bid Amount net of Discount. Only in cases where the RHP/Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount Issued, if any.
- c) RIIs who Bid at Cut-off price shall be blocked on the Cap Price.
- d) All Bidders (other than Anchor Investors) can participate in the Issue only through the ASBA mechanism.
- e) RIIs submitting their applications through Designated Intermediaries can participate in the Issue through the UPI mechanism, through their UPI ID linked with their bank account.
- f) Bid Amount cannot be paid in cash, cheque, and demand draft, through money order or through postal order.

### 7.1 Payment instructions for Bidders (other than Anchor Investors)

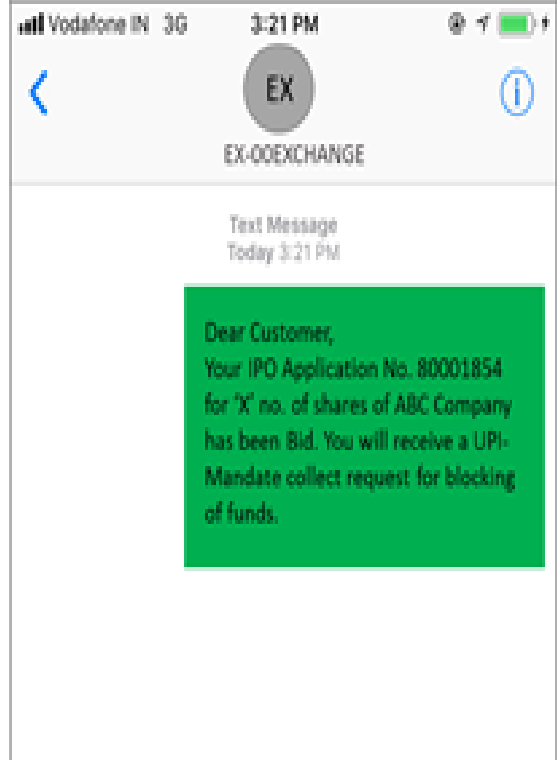
- (a) **RIIs bidding through Designated Intermediaries** should note that with the introduction of UPI as a payment mechanism, there are four channels of making applications in public issues available to them in Phase I (i.e. from January 1, 2019 for a period of three months or floating of five main board public issues, whichever is later). The four channels for making applications in public issues available to RIIs bidding through Designated Intermediaries are as follows:

Channel I	Channel II	Channel III	Channel IV
RIIs may submit the Bid cum Application Form with ASBA as the sole mechanism for making payment either physically (at the branch of the SCSB) or online. For such applications the existing process of uploading the bid and blocking of funds in the RIIs account by the SCSB would continue.	RIIs may submit the Bid cum Application Form online using the facility of linked online trading, demat and bank account (3-in-1 type accounts) provided by Registered Brokers.	RIIs may submit the Bid cum Application Form with any of the Designated Intermediaries, along with details of his/her ASBA Account for blocking of funds. For such applications the Designated Intermediary will upload the bid in the stock exchange bidding platform and forward the application form to Designated Branch of the concerned SCSB for blocking of funds.	RIIs may submit the Bid cum Application Form with any of the Designated Intermediaries and use his/her UPI ID for the purpose of blocking of funds.

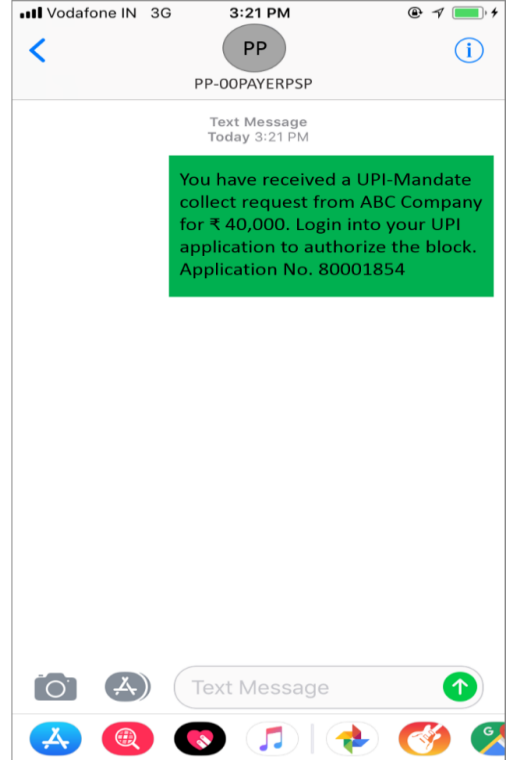
For Phase II and Phase III, RIIs will have the option to use only Channel I, Channel II and Channel IV (as described above) for making applications in a public issue.

Please see below a graphical illustrative process of the investor receiving and approving the UPI mandate request:

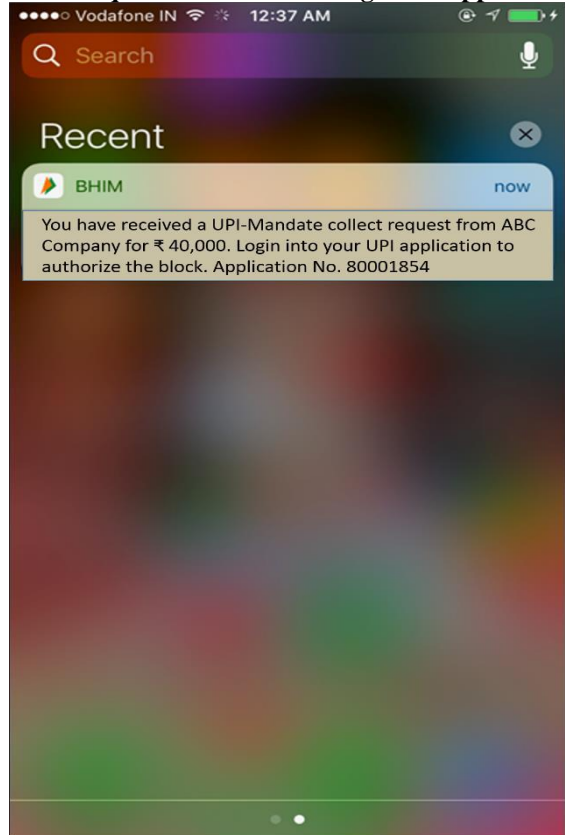
**Illustrative SMS**



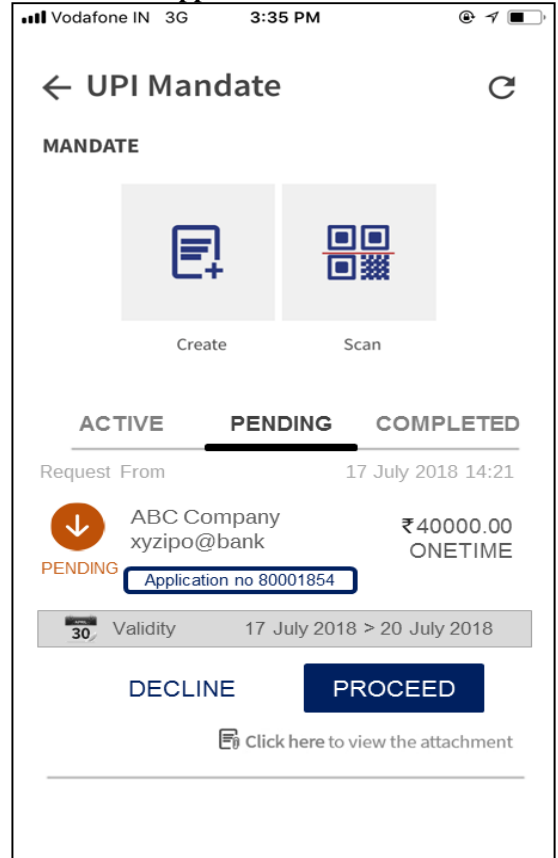
**Block request SMS to investor**



**Block request intimation through UPI application**



**Investor UPI application screen**



**Sample of IPO details in attachment**

**Post verification of details above**

Secure | https://i

### 1 Enter Details

**Investor Details**

Depository Name	DP ID	Client ID
NSDL	IN300513	14871468
Beneficiary No.	PAN Card	Investor's Name
.	AAMPF7581P	SHYAM SHARAM

**IPO Details**

Company Name	IPO Symbol	Bid Lot
IPO	SUPREMEENG	40000
Face Value	Maximum Price	Minimum Price
10.00	₹ 32.00	₹ 27.00
Cut Off Price	IPO Start Date	IPO End Date
₹ 32.00	20 July 2018	27 July 2018
Discount Amount	Discount Category	
NA	.	

Vodafone IN 3G 5:43 PM

## Create Mandate

TO

ABC Company

xyzipo@bank **Verified Merchant**

Mandate Amount  
₹ 40000.00

The Amount entered will be blocked immediately & debited from payer account as per your Mandate inputs

Frequency  
**ONETIME**

Validity

Start Date: 20 JULY 2018 > End Date: 27 JULY 2018

Users account will be debited within validity period.

REMARKS  
Application no 80001834

[Click here to view the attachment](#)

**PROCEED**

### Pre-confirmation page

Vodafone IN 3G 3:48 PM

**!** Please check the below details as the amount will be **blocked** for the validity period and will be debited as per the mandate inputs. In case of non-execution of the Mandate, the amount will be unblocked

**Mandate Details**

To  
ABC Company

xyzipo@bank

AMOUNT  
₹ 0000.00

FREQUENCY  
**ONETIME**

VALIDITY  
20 JULY 2018 to 27 JULY 2018

REMARKS  
Application no 80001854

**CANCEL** **CONFIRM**

### Entering of UPI PIN

Vodafone IN 3G 1:39 AM

**CANCEL**

STATE BANK OF INDIA

UPI

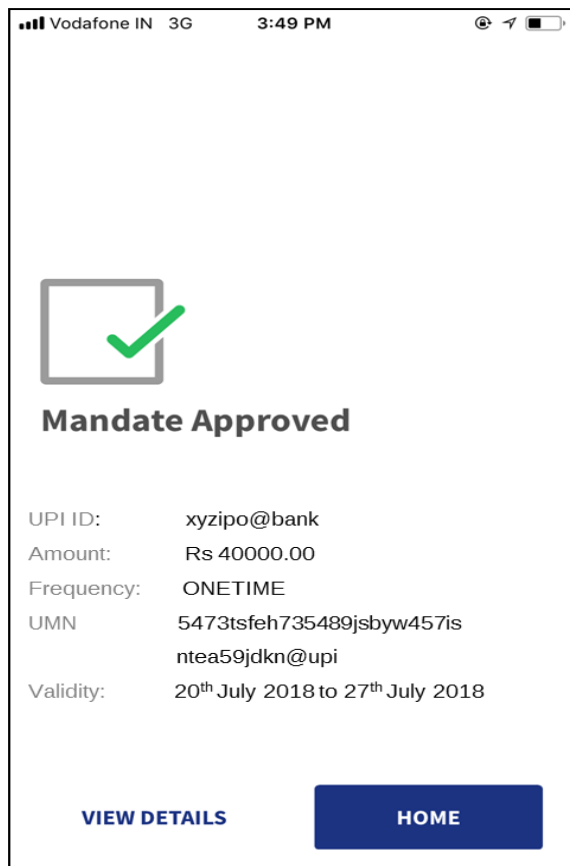
ABC Company ₹ 40000

**ENTER UPI PIN**


— — — —

1	2	3
4	5	6
7	8	9
	0	SUBMIT

### Confirmation page



Vodafone IN 3G 3:49 PM

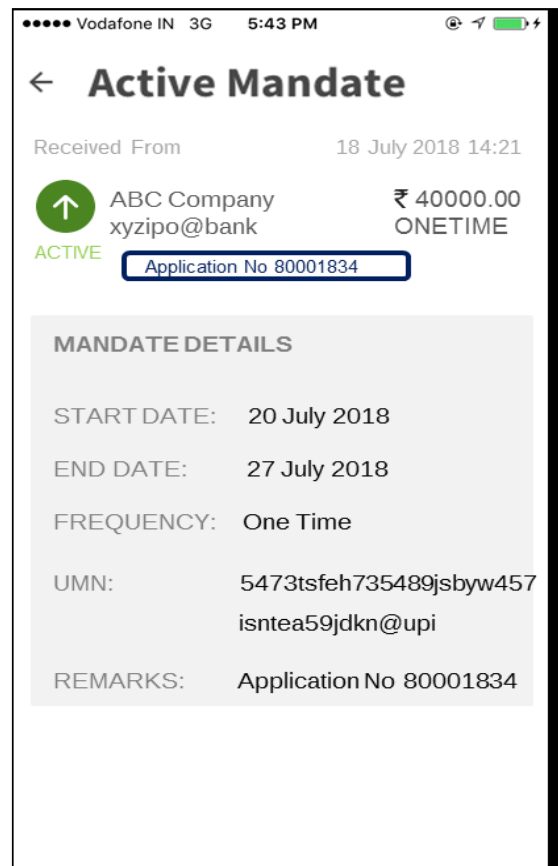


## Mandate Approved

UPI ID: xyzipo@bank  
Amount: Rs 40000.00  
Frequency: ONETIME  
UMN: 5473tsfeh735489jsbyw457isntea59jdkn@upi  
Validity: 20<sup>th</sup> July 2018 to 27<sup>th</sup> July 2018

[VIEW DETAILS](#) [HOME](#)


### Approved mandates visible in UPI application



Vodafone IN 3G 5:43 PM

## Active Mandate

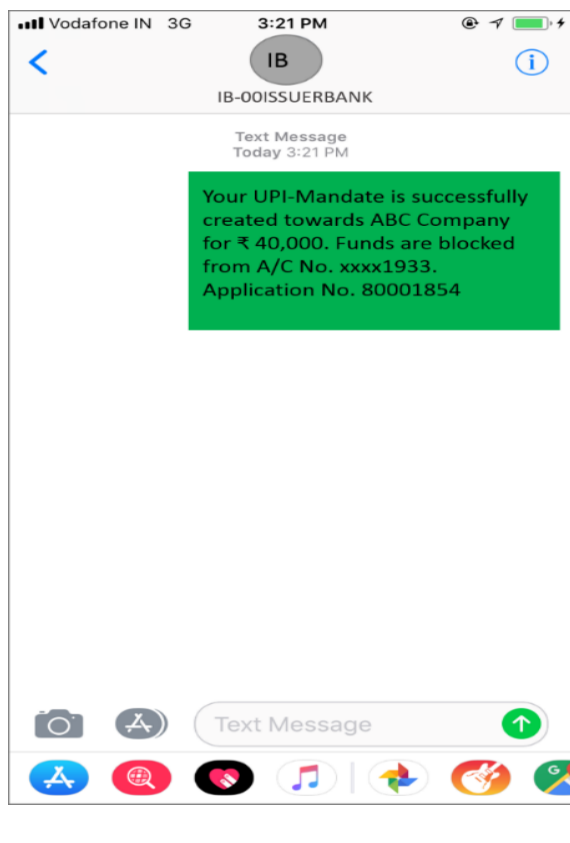
Received From 18 July 2018 14:21

 ABC Company ₹ 40000.00  
xyzipo@bank ONETIME  
ACTIVE [Application No 80001834](#)

### MANDATE DETAILS

START DATE: 20 July 2018  
END DATE: 27 July 2018  
FREQUENCY: One Time  
UMN: 5473tsfeh735489jsbyw457isntea59jdkn@upi  
REMARKS: Application No 80001834

### Block confirmation SMS to investor



Vodafone IN 3G 3:21 PM

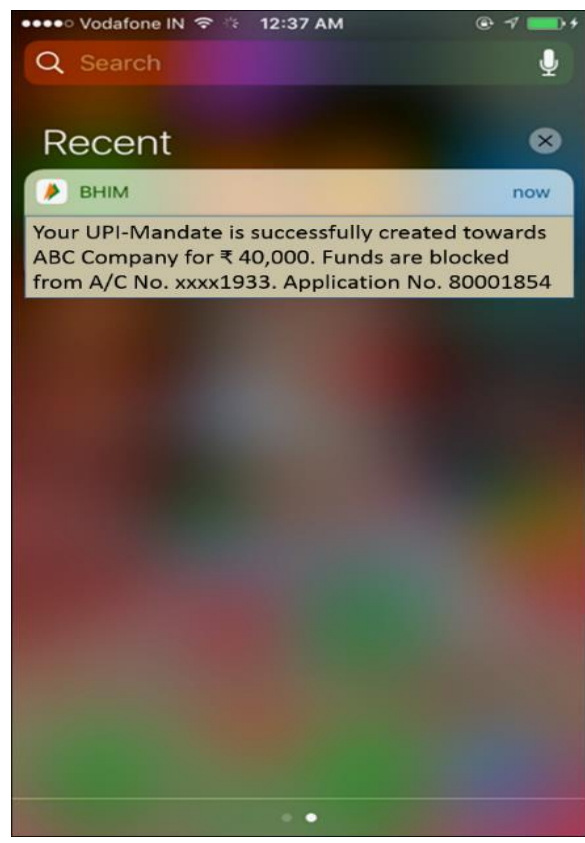
IB IB-00ISSUERBANK

Text Message Today 3:21 PM

Your UPI-Mandate is successfully created towards ABC Company for ₹ 40,000. Funds are blocked from A/C No. xxxx1933. Application No. 80001854

Text Message


### Block confirmation application intimation



Vodafone IN 3G 12:37 AM

Search

## Recent

 BHIM now

Your UPI-Mandate is successfully created towards ABC Company for ₹ 40,000. Funds are blocked from A/C No. xxxx1933. Application No. 80001854

- (b) QIB and NII Bidders may submit the Bid cum Application Form either
  - (i) to SCSB in physical or electronic mode through the internet banking facility Issued by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or
  - (ii) in physical mode to any Designated Intermediary.
- (c) Bidders must specify the Bank Account number, or the UPI ID, as applicable, in the Bid cum Application Form. The Bid cum Application Form submitted by a Bidder and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account, may not be accepted.
- (d) Bidders should note that application made using third party UPI ID or ASBA Bank account are liable to be rejected.
- (e) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the ASBA Account.
- (f) Bidders should submit the Bid cum Application Form only at the Bidding Centers, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the RTA at the Designated CRTA Locations or CDP at the Designated CDP Locations.
- (g) **Bidders bidding through Designated Intermediaries** other than a SCSB, should note that ASBA Forms submitted to such Designated Intermediary may not be accepted, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for such Designated Intermediary, to deposit ASBA Forms.
- (h) **Bidders bidding directly through the SCSBs** should ensure that the Bid cum Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- (i) Upon receipt of the Bid cum Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form.
- (j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.
- (k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Bids on the Stock Exchange platform and such bids are liable to be rejected.
- (l) Upon submission of a completed Bid cum Application Form each Bidder (not being a RII who has opted for the UPI payment mechanism and provided a UPI ID with the Application Form) may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the Bid cum Application Form in the ASBA Account maintained with the SCSBs. For details regarding blocking of Application Amount for RIIs who have provided a UPI ID with the Application Form please refer to paragraph 4.1.7.3.
- (m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.
- (n) SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

#### **8. FIELD NUMBER 8: UNBLOCKING OF ASBA ACCOUNT -**

- (a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB or the Sponsor Bank, as the case may be, along with instructions to unblock the relevant ASBA Accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines:
  - (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant ASBA Account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, (iv) the amount to be unblocked, if any in case of partial allotments and (v) details of rejected ASBA Bids, if any, along with reasons for rejection and

details of withdrawn or unsuccessful Bids, if any, to enable the SCSBs or the Sponsor Bank, as the case may be, to unblock the respective ASBA Accounts.

- (b) On the basis of instructions from the Registrar to the Issue, the SCSBs or the Sponsor Bank, as the case may be, may transfer the requisite amount against each successful Bidder to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- (c) In the event of withdrawal or rejection of the Bid cum Application Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB or to the Sponsor Bank to revoke the mandate and, as the case may be, to unblock the Bid Amount in the Relevant Account within four Working Days of the Bid/Issue Closing Date.

### **8.1 Additional Payment Instructions for RIIs bidding through Designated Intermediaries using the UPI mechanism**

- (a) Before submission of the application form with the Designated Intermediary, an RII shall download the mobile app for UPI and create a UPI ID (xyz@bankname) of not more than 45 characters with its bank and link it to his/ her bank account where the funds equivalent to the application amount is available.
- (b) RIIs shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount is available for blocking has been notified as Issuer Banks for UPI. A list of such banks is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>
- (c) RIIs shall mention his / her UPI ID along with the bid details in the Bid cum Application Form in capital letters and submit the Bid cum Application Form to any of the Designated Intermediaries.
- (d) The Designated Intermediary upon receipt of the Bid cum Application Form will upload the bid details along with UPI ID in the stock exchange bidding platform.
- (e) Once the bid has been entered into the Stock Exchange bidding platform, the stock exchange will validate the PAN and Demat Account details of the RII with the Depository. The Depository will validate the aforesaid details on a real time basis and send a response to the stock exchange which will be shared by the stock exchange with the Designated Intermediary through its bidding platform, for corrections, if any.
- (f) Once the bid details have been validated by the Depository, the stock exchange will, on a continuous basis, electronically share the bid details along with the UPI ID of the concerned RII with the Sponsor Bank appointed by the Issuer.
- (g) The Sponsor Bank will validate the UPI ID of the RII before initiating the Mandate request.
- (h) The Sponsor Bank after validating the UPI ID will initiate a UPI Mandate Request for valid UPI ID on the RII which will be electronically received by the RII as an SMS / intimation on his / her mobile number / mobile app associated with the UPI ID linked account. The RII shall ensure that the details of the Bid are correct by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RII may be deemed to have verified the attachment containing the application details of the RII in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form and subsequent debit in case of allotment .
- (i) Upon successful validation of the block request by the RII, the said information would be electronically received by the RII's bank, where the funds, equivalent to the application amount would get blocked in the ASBA Account of the RII. Intimation regarding confirmation of such blocking of funds in the ASBA Account of the RII would also be received by the RII. Information on the block status request would be shared with the Sponsor Bank which in turn would share it with the stock exchange which in turn would share it with the Registrar in the form of a file for the purpose of reconciliation and display it on the stock exchange bidding platform for the information of the Designated Intermediary.
- (j) RIIs may continue to modify or withdraw the Bid till the closure of the Bidding Period. For each modification of the Bid, the RII will submit a revised Bid and will receive a new UPI Mandate Request from the Sponsor Bank to be validated as per the process indicated above.

- (k) RIIs to check the correctness of the details on the mandate received before approving the Mandate Request.
- (l) Post closure of the Issue, the stock exchange will share the Bid details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.

### **8.2. Discount (if applicable)**

- (a) The Discount is stated in absolute rupee terms.
- (b) Bidders applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts Issued in the Issue, Bidders may refer to the RHP/Prospectus.
- (c) The Bidders entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Bid Amount less Discount (if applicable).

Bidder may note that in case the net payment (post Discount) is more than two lakh Rupees, the bidding system automatically considers such Bids for allocation under Non-Institutional Category. These Bids are neither eligible for Discount nor fall under RII category.

### **8.2. Additional Payment Instruction for NRIs**

The Non-Resident Indians who intend to block funds through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of Bids by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

## **9. FIELD NUMBER 9: SIGNATURES AND OTHER AUTHORISATIONS**

- (a) Only the First Bidder is required to sign the Bid cum Application Form. Bidders should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- (b) In relation to the Bids, signature has to be correctly affixed in the authorization/undertaking box in the Bid cum Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid/ amount mentioned in the Bid cum Application Form.
- (c) Bidders must note that Bid cum Application Form without signature of Bidder and /or ASBA Account holder is liable to be rejected.

## **10. FIELD NUMBER 10: ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

- (a) Bidders should ensure that they receive the acknowledgment duly signed and stamped by Bid Collecting Intermediary or SCSB, as applicable, for submission of the Bid cum Application Form.
- (b) All communications in connection with Bid made in the Issue should be addressed as under:
  - i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, the Bidders should contact the Registrar to the Issue.
  - ii. In case of ASBA Bids submitted to the Designated Branches of the SCSBs, the Bidders should contact the relevant Designated Branch of the SCSB.
  - iii. Bidders may contact the Company Secretary and Compliance Officer or BRLM in case of any other complaints in relation to the Issue.
  - iv. In case of queries relating to uploading of Bids by a Syndicate Member, the Bidders should contact the relevant Syndicate Member.
  - v. In case of queries relating to uploading of Bids by a Registered Broker, the Bidders should contact the relevant Registered Broker
  - vi. In case of Bids submitted to the RTA, the Bidders should contact the relevant RTA.
  - vii. In case of Bids submitted to the DP, the Bidders should contact the relevant DP.
  - viii. In case of queries relating to uploading of Bids through the UPI Mechanism, the Bidders should contact the Sponsor Bank;
- (c) The following details (as applicable) should be quoted while making any queries –



- i. Full name of the sole or First Bidder, Bid cum Application Form number, Bidder' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on Bid.
- ii. name and address of the Designated Intermediary, where the Bid was submitted; or
- iii. Bids, ASBA Account number or the UPI ID (for RIIs who make the payment of Bid Amount through the UPI mechanism) linked to the ASBA Account where the Bid Amount was blocked in which the amount equivalent to the Bid Amount was blocked.

For further details, Bidder may refer to the Red Herring Prospectus and the Bid cum Application Form.

**Instructions for filling the Revision Form**

- (a) During the Bid/ Issue Period, any Bidder (other than QIBs and NIIs, who can only revise their Bid amount upwards) who has registered his or her interest in the Equity Shares for a particular number of shares is free to revise number of shares applied using revision forms available separately.
- (b) RII may revise / withdraw their Bid till closure of the Bid/ Issue period.
- (c) Revisions can be made only in the desired number of Equity Shares by using the Revision Form.
- (d) The Bidder can make this revision any number of times during the Bid/ Issue Period. However, for any revision(s) in the Bid, the Bidders will have to use the services of the SCSB through which such Bidder had placed the original Bid. It is clarified that RIIs whose original Bid is made using the UPI mechanism, can make revision(s) to their Bid using the UPI mechanism only, whereby each time the Sponsor Bank will initiate a new UPI Mandate Request. Bidders are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample Revision form is reproduced below:

LOGO <b>To, The Board of Directors XYZ LIMITED</b>	<b>100% BOOK BUILT OFFER</b> <b>ISIN : XXXXXXXXX</b>	<b>Bid cum Application Form No.</b>
---	---	-------------------------------------

SYNDICATE MEMBER'S STAMP & CODE	REGISTERED BROKER / SCSB / CDP / RTA STAMP & CODE	<b>1. NAME &amp; CONTACT DETAILS OF SOLE / FIRST BIDDER</b> Mr./Ms./M/s. _____ Address _____ Email _____ Tel. No. (with STD code) / Mobile _____
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	SCSB BRANCH STAMP & CODE	<b>2. PAN OF SOLE / FIRST BIDDER</b> _____
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	<b>3. BIDDER'S DEPOSITORY ACCOUNT DETAILS</b> <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL <small>For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID</small>

**PLEASE CHANGE MY BID**

Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised)										Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only)						
	(In Figures)										(In Figures Only)						
	8	7	6	5	4	3	2	1	Bid Price	Retail Discount		Net Price		"Cut-off" (Please ✓ tick)			
Option 1																	
(OR) Option 2																	
(OR) Option 3																	

**5. TO (REVISED BID) (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")**

Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised)										Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only)						
	(In Figures)										(In Figures Only)						
	8	7	6	5	4	3	2	1	Bid Price	Retail Discount		Net Price		"Cut-off" (Please ✓ tick)			
Option 1																	
(OR) Option 2																	
(OR) Option 3																	

**6. PAYMENT DETAILS [IN CAPITAL LETTERS]**      **PAYMENT OPTION : FULL PAYMENT**        **PART PAYMENT**   

Additional Amount Blocked (₹ in figures) \_\_\_\_\_ (₹ in words) \_\_\_\_\_

ASBA Bank A/c No. \_\_\_\_\_

Bank Name & Branch \_\_\_\_\_

OR UPI Id (Maximum 45 characters) \_\_\_\_\_

I/WE (ON BEHALF OF JOINT BIDDERS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID REVISION FORM AND THE ATTACHED ABBRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE BIDDERS UNDERTAKING AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT BIDDERS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID REVISION FORM GIVEN OVERLEAF.

<b>7A. SIGNATURE OF SOLE / FIRST BIDDER</b>	<b>7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)</b>	<b>SYNDICATE MEMBER / REGISTERED BROKER / SCSB / CDP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)</b>
Date : _____, 2018	1/We authorise the SCSB to do all acts as are necessary to make the application in the Offer. 2) _____ 3) _____	

TEAR HERE

LOGO	<b>XYZ LIMITED</b>	Acknowledgement Slip for Syndicate Member/ Registered Broker/SCSB/CDP/RTA	Bid cum Application Form No.
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**PAN of Sole / First Bidder**

DPID / CLID \_\_\_\_\_

Additional Amount Blocked (₹)	ASBA Bank A/c No./UPI Id	Stamp & Signature of SCSB Branch
Bank Name & Branch		
Received from Mr./Ms./M/s. _____		
Telephone / Mobile _____	Email _____	

TEAR HERE

<b>XYZ LIMITED - BID REVISION FORM - INITIAL PUBLIC OFFER - R</b>	Option 1	Option 2	Option 3	Stamp & Signature of Syndicate Member / Registered Broker / SCSB / CDP / RTA	Name of Sole / First Bidder
	No. of Equity Shares				
	Bid Price				
	Additional Amount Blocked (₹)				<b>Acknowledgement Slip for Bidder</b>
ASBA Bank A/c No./UPI Id _____				<b>Bid cum Application Form No.</b>	
Bank Name & Branch _____					

Important Note : Application made using third party UPI Id Or ASBA Bank A/c are liable to be rejected.

**XYZ LIMITED**

## **11. FIELDS 1,2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER, PAN OF SOLE/FIRST BIDDER & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER**

Bidders should refer to instructions contained in paragraphs 1, 2 and 3 above under the heading “*Instructions for completing the Bid Form*”.

## **12. FIELDS 4 AND 5: BID OPTIONS REVISION ‘FROM’ AND ‘TO’**

(a) Apart from mentioning the revised number of shares in the Revision Form, the Bidder must also mention the details of shares applied/bid for given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder has Bid for three options in the Bid cum Application Form and such Bidder is changing only one of the options in the Revision Form, the Bidder must still fill the details of the other two options that are not being revised, in the Revision Form. The members of the Syndicate, the Registered Brokers and the Designated Branches of the SCSBs may not accept incomplete or inaccurate Revision Form.

(b) In case of revision, Bid options should be provided by Bidders in the same order as provided in the Bid cum Application Form.

(c) In case of revision of Bids by RIBs and Retail Individual Shareholders, such Bidders should ensure that the Bid Amount, subsequent to revision, does not exceed ₹ 200,000. In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIBs and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.

(d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds ₹ 200,000, the Bid will be considered for allocation under the Non-Institutional Category in terms of the RHP. If, however, the RII does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.

(e) In case of a downward revision in the Price Band, RIIs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked in case of Bidders.

## **13. PAYMENT DETAILS**

a) All Bidders are required to make payment of the full Bid Amount (less Discount, if applicable) along with the Bid Revision Form. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount Issued, if any.

b) Bidder may Issue instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account of the UPI Linked Bank Account, to the same Designated Intermediary through whom such Bidder had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.

c) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds ₹ 200,000, the Bid may be considered for allocation under the Non-Institutional Category in terms of the RHP. If, however, the Bidder does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for may be adjusted downwards for the purpose of Allotment, such that additional amount is required blocked and the Bidder is deemed to have approved such revised Bid at the Cut-off Price.

d) In case of a downward revision in the Price Band, RIIs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked.

## **14. FIELD NUMBER 7: SIGNATURES AND ACKNOWLEDGEMENTS**

Bidders may refer to instructions contained at paragraphs 9 above under the heading “*Instructions for completing the Bid Form*” for this purpose.

#### **SUBMISSION OF BIDS**

- a) During the Bid/ Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids.
- b) In case of Bidders (excluding NIIs and QIBs) Bidding at Cut-off Price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- c) For Details of the timing on acceptance and upload of Bids in the Stock Exchange Platform Bidders are requested to refer to the RHP.

#### **GROUND OF TECHNICAL REJECTIONS**

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bids by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price.
- GIR number furnished instead of PAN;
- Bids for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-Off Price by NIIs and QIBs.
- Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the RHP;
- The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in the RHP;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bids accompanied by stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Bidder is missing;
- Bid cum Application Forms are not delivered by the Bidders within the time prescribed as per the Bid cum Application Forms, Bid/ Issue Opening Date advertisement and the RHP and as per the instructions in the Red Herring Prospectus and the Bid cum Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant’s identity (DP ID) and the beneficiary’s account number;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bids by OCBs;
- Bids by US persons other than in reliance on Regulation S or “qualified institutional buyers” as defined in Rule 144A under the Securities Act;
- Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;

- Bids not uploaded on the terminals of the Stock Exchange; and
- Where no confirmation is received from SCSB for blocking of funds;
- Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form /Application Form. Bids not duly signed by the sole/First Bidder.
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- ASBA Account number or UPI ID not mentioned or incorrectly mentioned in the Bid cum Application Form/Application Form;
- Submission of Bid cum Application Forms/Application Form using third party ASBA Bank Account;
- Submission of more than one Bid cum Application Form per UPI ID by RIIs bidding through Designated Intermediaries;
- In case of Bids by RIIs (applying through the UPI mechanism), the UPI ID mentioned in the Bid cum Application Form is linked to a third party bank account;
- The UPI Mandate is not approved by Retail Individual Investor; and
- The original Bid/Application is made using the UPI mechanism and revision(s) to the Bid/Application is made using ASBA either physically or online through the SCSB, and *vice-versa*.

**BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGE BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.**

#### **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 is in the process of signing the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- Agreement dated April 16, 2018 among NSDL, the Company and the Registrar to the Issue; and
- Agreement dated May 02, 2018 among CDSL, the Company and the Registrar to the Issue.

The Company's shares bear ISIN no INE00CU01013.

#### **COMMUNICATIONS**

All future communications in connection with Bids made in this Issue should be addressed to the Registrar quoting the full name of the sole or First Bidder, Bid cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the Application Collecting Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Bidders can contact the Compliance Officer or the Registrar in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

#### **DISPOSAL OF APPLICATIONS**

In case of applicants who receive refunds through NECS, NEFT, direct credit or RTGS, the refund instructions will be given to the clearing system within 6 Working Days from the Bid/ Issue Closing Date.

Our Company shall ensure that all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchange where the Equity Shares are proposed to be listed, are taken within 6 Working Days of the Bid/ Issue Closing Date.

## **IMPERSONATION**

Attention of the Bidders 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.”*

## **PROCEDURE AND TIME OF SCHEDULE FOR ALLOTMENT AND DEMAT CREDIT**

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. **Bidders are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.**

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders who have been Allotted Equity Shares in the Issue.

- (c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- (d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Bidders Depository Account which will be completed within 4 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Bidder depository account is completed within one Working Day from the date of Allotment, after the funds are transferred from the Public Issue Account on the Designated Date.

## **BASIS OF ALLOTMENT**

### **a. For Retail Individual Bidders**

Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to 19,55,200 Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than 19,55,200 Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

### **b. For Non-Institutional Bidders**

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price.

The Issue size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to 19,52,000 Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than 19,52,000 Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

## **GROUND 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 Exchange(s) from where such permission is sought are disclosed in RHP/Prospectus. The Designated Stock Exchange will be disclosed in the RHP/Prospectus with which the Basis of Allotment may be finalised.

If the Issuer fails to make application to the Stock Exchange(s) and obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act, 2013, the Issuer may be punishable with a fine which shall not be less than ₹ 5 lakhs but which may extend to ₹ 50 lakhs and every officer of the Issuer who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than ₹ 50,000 but which may extend to ₹ 3 lakhs, or with both.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith take steps to refund, without interest, all moneys received from the Bidders/Applicants in pursuance of the RHP/Prospectus.

If such money is not refunded to Bidders within the prescribed time after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of such period, be liable to repay the money, with interest at such rate, as disclosed in the RHP/Prospectus.

### **Non-fulfilment of the obligations by the underwriters**

The Issue is not restricted to any minimum subscription and is 100% underwritten. If the Issuer does not receive subscription of 100% of the Issue, including devolvement to the Underwriters, as applicable, the Issuer may forthwith, take steps to unblock the entire subscription amount received within six Working Days of the Bid/ Issue Closing Date. This is further subject to the compliance with Rule 19(2)(b) of the SCRR.

If there is a delay beyond the prescribed time after the Issuer becomes liable to pay or unblock the amount received from Bidders, then the Issuer and every director of the Issuer who is an officer in default may on and from expiry of prescribed time period under applicable laws, be jointly and severally liable to repay the money, with interest at the rate of 15% per annum in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.

### **Minimum number of Allottees**

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be refunded forthwith.

## **MODE OF REFUND**

**In case of ASBA Bids:** Within six Working Days of the Bid/ Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs or in case of Bids by RIIs applying through the UPI mechanism to the Sponsor Bank, to revoke the mandate and for unblocking the amount in ASBA Accounts of unsuccessful Bidders and also for any excess amount blocked on Bidding/Application.

The Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA Bids or in the event of withdrawal or failure of the Issue.

## **LETTERS OF ALLOTMENT OR REFUND ORDERS OR INSTRUCTIONS TO THE SCSBS**

The Registrar to the Issue shall give instructions for credit to the beneficiary account with depository participants within 6 Working Days from the Bid/ Issue Closing Date. In case of ASBA Bidders, the Registrar shall instruct the relevant SCSBs to, on the receipt of such instructions from the Registrar, unblock the funds in the relevant ASBA Account to the extent of the Bid Amount specified in the Bid cum Application Form or the relevant part thereof, for withdrawn, rejected or unsuccessful or partially successful ASBA Bids within 6 Working Days of the Bid/ Issue Closing Date.

## **INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND**

The Issuer shall allot the equity shares Issued to the public within the period prescribed by the Board. The Issuer may pay interest at the rate of 15% per annum in case DEMAT credits are not made to Bidders or instructions for unblocking of funds in the ASBA Account are not dispatched within the 6 Working days of the Bid/ Issue Closing Date.

## **UNDERTAKINGS BY THE COMPANY**

Our Company undertake as follows:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange where the Equity Shares are proposed to be listed within six working days from Issue Closure date.
3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
4. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within six Working Days from the Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
5. That our Promoter's contribution in full has already been brought in;
6. That no further Issue of Equity Shares shall be made till the Equity Shares Issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.;
7. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
8. If our Company does not proceed with the Issue after the Bid/Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
9. If our Company withdraws the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh Draft Red Herring Prospectus with the Stock exchange/RoC/SEBI, in the event our Company subsequently decides to proceed with the Issue;
10. If allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period

## **UTILIZATION OF THE ISSUE PROCEEDS**

The Board of Directors of our Company certifies that:

1. all monies received out of the Issue shall be transferred to a separate Bank Account other than the bank account referred to in Sub-Section (3) of Section 40 of the Companies Act, 2013;
2. details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
3. details of all unutilized monies out of the Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and
4. Our Company shall comply with the requirements of the SEBI Listing Regulations in relation to the disclosure and monitoring of the utilisation of the proceeds of the Issue.
5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of



the Equity Shares from all the Stock Exchange where listing is sought has been received.

6. The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactory.

## 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 for Promotion of Industry and Internal Trade, 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. DIPP has issued consolidated FDI Policy Circular of 2017 (“**FDI Policy 2017**”), which with effect 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 Directions Foreign Investment in India and updates at the same from time to time. Presently, FDI in India is being governed by Master Directions on Foreign Investment No. RBI/FED/2017-18/60 FED Master Direction No. 11/2017-18 dated January 4, 2018, as updated from time to time by RBI. In terms of the Master Directions, 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 Directions. 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.

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, our Company is in the business of manufacturing mobile phones, batteries, chargers, powerbanks etc. These activities are covered in section 5.2.5 under the head “Manufacturing” of the FDI Policy 2017 which allows 100% foreign direct investment through automatic route subject to the provisions of FDI Policy

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 to 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 the conversion of any debt instrument under any arrangement shall be reckoned as a foreign investment under the composite cap.

Portfolio Investment 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 the 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 with sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity, will not exceed the sectoral/statutory cap.

Subject to the provisions of the FDI policy, foreign investment in 'manufacturing' sector is under the automatic route. Further, a manufacturer is permitted to sell its products manufactured in India through wholesale and/or retail, including through e-commerce, without Government approval.

#### **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 that is:

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 Red Herring 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 Red Herring 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 – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Pursuant to Schedule II to the Companies Act and the SEBI Regulations, the main provisions of our Articles relating, inter alia, to voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares or debentures and/or on their consolidation/splitting are detailed below. Please note that each provision herein below is numbered as per the corresponding article number in our Articles and capitalized/defined terms herein have the same meaning given to them in our Articles.

Sr. No	Particulars	
1.	No regulation contained in Table “F” in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto.	<b>Table F Applicable.</b>
	<b>INTERPRETATION CLAUSE</b>	
2.	In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:	
	(a) "The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.	<b>Act</b>
	(b) "These Articles" means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.	<b>Articles</b>
	(c) "Auditors" means and includes those persons appointed as such for the time being of the Company.	<b>Auditors</b>
	(d) "Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company.	<b>Capital</b>
	(e) *"The Company" shall mean SUICH INDUSTRIES LIMITED	<b>Company</b>
	(f) "Executor" or "Administrator" means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.	<b>Executor or Administrator</b>
	(g) "Legal Representative" means a person who in law represents the estate of a deceased Member.	<b>Legal Representative</b>
	(h) Words importing the masculine gender also include the feminine gender.	<b>Gender</b>
	(i) "In Writing" and "Written" includes printing lithography and other modes of representing or reproducing words in a visible form.	<b>In Writing and Written</b>
	(j) The marginal notes hereto shall not affect the construction thereof.	<b>Marginal notes</b>
	(k) "Meeting" or "General Meeting" means a meeting of members.	<b>Meeting or General Meeting</b>
	(l) "Month" means a calendar month.	<b>Month</b>
	(m) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act.	<b>Annual General Meeting</b>
	(n) "Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.	<b>Extra-Ordinary General Meeting</b>
	(o) "National Holiday" means and includes a day declared as National Holiday by the Central Government.	<b>National Holiday</b>
	(p) "Non-retiring Directors" means a director not subject to retirement by rotation.	<b>Non-retiring Directors</b>
	(q) "Office" means the registered Office for the time being of the Company.	<b>Office</b>
	(r) "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act.	<b>Ordinary and Special Resolution</b>

	(s) "Person" shall be deemed to include corporations and firms as well as individuals.	<b>Person</b>
	(t) "Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney.	<b>Proxy</b>
	(u) "The Register of Members" means the Register of Members to be kept pursuant to Section 88(1) (a) of the Act.	<b>Register of Members</b>
	(v) "Seal" means the common seal for the time being of the Company.	<b>Seal</b>
	(w) Words importing the Singular number include where the context admits or requires the plural number and vice versa.	<b>Singular number</b>
	(x) "The Statutes" means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.	<b>Statutes</b>
	(y) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.	<b>These presents</b>
	(z) "Variation" shall include abrogation; and "vary" shall include abrogate.	<b>Variation</b>
	(aa) "Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act.	<b>Year and Financial Year</b>
	Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.	<b>Expressions in the Act to bear the same meaning in Articles</b>
	<b>CAPITAL</b>	
<b>3.</b>	The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.	<b>Authorized Capital.</b>
<b>4.</b>	The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Act.	<b>Increase of capital by the Company how carried into effect</b>
<b>5.</b>	Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.	<b>New Capital same as existing capital</b>
<b>6.</b>	The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.	<b>Non Voting Shares</b>
<b>7.</b>	Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.	<b>Redeemable Preference Shares</b>
<b>8.</b>	The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.	<b>Voting rights of preference shares</b>
<b>9.</b>	On the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions shall take effect:	<b>Provisions to apply on issue of Redeemable Preference Shares</b>

	<p>(a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption;</p> <p>(b) No such Shares shall be redeemed unless they are fully paid;</p> <p>(c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed;</p> <p>(d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and</p> <p>(e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital</p>	
<b>10.</b>	<p>The Company may (subject to the provisions of sections 52, 55, 66, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce</p> <p>(a) the share capital;</p> <p>(b) any capital redemption reserve account; or</p> <p>(c) any security premium account</p> <p>In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.</p>	<b>Reduction of capital</b>
<b>11.</b>	<p>Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.</p>	<b>Debentures</b>
<b>12.</b>	<p>The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.</p>	<b>Issue of Sweat Equity Shares</b>
<b>13.</b>	<p>The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.</p>	<b>ESOP</b>
<b>14.</b>	<p>Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.</p>	<b>Buy Back of shares</b>
<b>15.</b>	<p>Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the</p>	<b>Consolidation, Sub-Division And Cancellation</b>

	Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.	
16.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.	<b>Issue of Depository Receipts</b>
17.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.	<b>Issue of Securities</b>
<b>MODIFICATION OF CLASS RIGHTS</b>		
18.	(a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting. Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.	<b>Modification of rights</b>
	(b) The rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.	<b>New Issue of Shares not to affect rights attached to existing shares of that class.</b>
19.	Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.	<b>Shares at the disposal of the Directors.</b>
20.	The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.	<b>Power to issue shares on preferential basis.</b>
21.	The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.	<b>Shares should be Numbered progressively and no share to be subdivided.</b>
22.	An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person	<b>Acceptance of Shares.</b>



	who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.	
23.	Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.	<b>Directors may allot shares as full paid-up</b>
24.	The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.	<b>Deposit and call etc. to be a debt payable immediately.</b>
25.	Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof.	<b>Liability of Members.</b>
26.	Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.	<b>Registration of Shares.</b>
	<b>RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT</b>	
27.	The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Sections 39 of the Act	
	<b>CERTIFICATES</b>	
28.	(a) Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holder. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a	<b>Share Certificates.</b>

	<p>person other than a Managing or whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.</p> <p>(b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act.</p> <p>(c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.</p>	
<b>29.</b>	<p>If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.</p> <p>Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf.</p> <p>The provisions of this Article shall mutatis mutandis apply to debentures of the Company.</p>	<b>Issue of new certificates in place of those defaced, lost or destroyed.</b>
<b>30.</b>	<p>(a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.</p>	<b>The first named joint holder deemed Sole holder.</b>
	<p>(b) The Company shall not be bound to register more than three persons as the joint holders of any share.</p>	<b>Maximum number of joint holders.</b>
<b>31.</b>	<p>Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.</p>	<b>Company not bound to recognize any interest in share other than that of registered holders.</b>
<b>32.</b>	<p>If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.</p>	<b>Installment on shares to be duly paid.</b>

<b>UNDERWRITING AND BROKERAGE</b>		
<b>33.</b>	Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.	<b>Commission</b>
<b>34.</b>	The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.	<b>Brokerage</b>
<b>CALLS</b>		
<b>35.</b>	(1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board. (2) A call may be revoked or postponed at the discretion of the Board. (3) A call may be made payable by installments.	<b>Directors may make calls</b>
<b>36.</b>	Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.	<b>Notice of Calls</b>
<b>37.</b>	A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.	<b>Calls to date from resolution.</b>
<b>38.</b>	Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.	<b>Calls on uniform basis.</b>
<b>39.</b>	The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.	<b>Directors may extend time.</b>
<b>40.</b>	If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 21% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.	<b>Calls to carry interest.</b>
<b>41.</b>	If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.	<b>Sums deemed to be calls.</b>
<b>42.</b>	On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, if shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is	<b>Proof on trial of suit for money due on shares.</b>

	sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.	
<b>43.</b>	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.	<b>Judgment, decree, partial payment motto proceed for forfeiture.</b>
<b>44.</b>	<p>(a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits.</p> <p>(b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.</p>	<b>Payments in Anticipation of calls may carry interest</b>
	<b>LIEN</b>	
<b>45.</b>	The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.	<b>Company to have Lien on shares.</b>
<b>46.</b>	For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfillment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a	<b>As to enforcing lien by sale.</b>

	new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.	
47.	The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.	<b>Application of proceeds of sale.</b>
<b>FORFEITURE AND SURRENDER OF SHARES</b>		
48.	If any Member fails to pay the whole or any part of any call or installment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or installment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or installment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.	<b>If call or installment not paid, notice maybe given.</b>
49.	The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or installment and such interest thereon as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.	<b>Terms of notice.</b>
50.	If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.	<b>On default of payment, shares to be forfeited.</b>
51.	When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.	<b>Notice of forfeiture to a Member</b>
52.	Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.	<b>Forfeited shares to be property of the Company and maybe sold etc.</b>
53.	Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.	<b>Members still liable to pay money owing at time of forfeiture and interest.</b>
54.	The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.	<b>Effect of forfeiture.</b>

55.	A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.	<b>Evidence of Forfeiture.</b>
56.	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: if any, nor shall his title to the share be affected by any irregularly or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.	<b>Title of purchaser and allottee of Forfeited shares.</b>
57.	Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.	<b>Cancellation of share certificate in respect of forfeited shares.</b>
58.	In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.	<b>Forfeiture may be remitted.</b>
59.	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.	<b>Validity of sale</b>
60.	The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.	<b>Surrender of shares.</b>
<b>TRANSFER AND TRANSMISSION OF SHARES</b>		
61.	(a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee. (b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.	<b>Execution of the instrument of shares.</b>
62.	The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof. The instrument of transfer shall be in a common form approved by the Exchange;	<b>Transfer Form.</b>
63.	The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee	<b>Transfer not to be registered except on production of instrument of transfer.</b>

	and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.	
<b>64.</b>	Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register— (a) any transfer of shares on which the company has a lien. That registration of transfer shall however not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever;	<b>Directors may refuse to register transfer.</b>
<b>65.</b>	If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.	<b>Notice of refusal to be given to transferor and transferee.</b>
<b>66.</b>	No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.	<b>No fee on transfer.</b>
<b>67.</b>	The Board of Directors shall have power on giving not less than seven days pervious notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.	<b>Closure of Register of Members or debenture holder or other security holders.</b>
<b>68.</b>	The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.	<b>Custody of transfer Deeds.</b>
<b>69.</b>	Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.	<b>Application for transfer of partly paid shares.</b>
<b>70.</b>	For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.	<b>Notice to transferee.</b>
<b>71.</b>	(a) On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares. (b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India. Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal	<b>Recognition of legal representative.</b>

	<p>representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate</p> <p>(c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.</p>	
72.	The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 of the Companies Act.	<b>Titles of Shares of deceased Member</b>
73.	Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.	<b>Notice of application when to be given</b>
74.	Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.	<b>Registration of persons entitled to share otherwise than by transfer (transmission clause).</b>
75.	Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.	<b>Refusal to register nominee.</b>
76.	Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.	<b>Board may require evidence of transmission.</b>
77.	The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so	<b>Company not liable for disregard of a notice prohibiting registration of transfer.</b>



	to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.	
<b>78.</b>	In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.	<b>Form of transfer Outside India.</b>
<b>79.</b>	No transfer shall be made to any minor, insolvent or person of unsound mind.	<b>No transfer to insolvent etc.</b>
<b>NOMINATION</b>		
<b>80.</b>	<p>i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination.</p> <p>ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014</p> <p>iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.</p> <p>iv) If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.</p>	<b>Nomination</b>
<b>81.</b>	<p>A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-</p> <p>(i) to be registered himself as holder of the security, as the case may be; or</p> <p>(ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made;</p> <p>(iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be;</p> <p>(iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.</p> <p>Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.</p>	<b>Transmission of Securities by nominee</b>
<b>DEMATERIALIZATION OF SHARES</b>		
<b>82.</b>	Subject to the provisions of the Act and Rules made thereunder the Company may offer its members facility to hold securities issued by it in dematerialized form.	<b>Dematerialisation of Securities</b>
<b>JOINT HOLDER</b>		
<b>83.</b>	Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.	<b>Joint Holders</b>

<b>84.</b>	(a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.	<b>Joint and several liabilities for all payments in respect of shares.</b>
	(b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;	<b>Title of survivors.</b>
	(c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and	<b>Receipts of one sufficient.</b>
	(d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the holders.	<b>Delivery of certificate and giving of notices to first named holders.</b>
<b>SHARE WARRANTS</b>		
<b>85.</b>	The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.	<b>Power to issue share warrants</b>
<b>86.</b>	(a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant. (b) Not more than one person shall be recognized as depositor of the Share warrant. (c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.	<b>Deposit of share warrants</b>
<b>87.</b>	(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company. (b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.	<b>Privileges and disabilities of the holders of share warrant</b>
<b>88.</b>	The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.	<b>Issue of new share warrant coupons</b>
<b>CONVERSION OF SHARES INTO STOCK</b>		
<b>89.</b>	The Company may, by ordinary resolution in General Meeting. a) convert any fully paid-up shares into stock; and b) re-convert any stock into fully paid-up shares of any denomination.	<b>Conversion of shares into stock or reconversion.</b>
<b>90.</b>	The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit, provided that, the Board may, from	<b>Transfer of stock.</b>

	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>91.</b>	The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.	<b>Rights of stock holders.</b>
<b>92.</b>	Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words "share" and "shareholders" in those regulations shall include "stock" and "stockholders" respectively.	<b>Regulations.</b>
<b>BORROWING POWERS</b>		
<b>93.</b>	Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose.	<b>Power to borrow.</b>
<b>94.</b>	Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.	<b>Issue of discount etc. or with special privileges.</b>
<b>95.</b>	The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charge, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.	<b>Securing payment or repayment of Moneys borrowed.</b>
<b>96.</b>	Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.	<b>Bonds, Debentures etc. to be under the control of the Directors.</b>
<b>97.</b>	If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.	<b>Mortgage of uncalled Capital.</b>
<b>98.</b>	Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability	<b>Indemnity may be given.</b>

	whether as principal or surely for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.	
	<b>MEETINGS OF MEMBERS</b>	
<b>99.</b>	All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.	<b>Distinction between AGM &amp; EGM.</b>
<b>100.</b>	(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members	<b>Extra-Ordinary General Meeting by Board and by requisition</b>
	(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.	<b>When a Director or any two Members may call an Extra Ordinary General Meeting</b>
<b>101.</b>	No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.	<b>Meeting not to transact business not mentioned in notice.</b>
<b>102.</b>	The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair then the Members present shall elect one of the members to be the Chairman of the meeting.	<b>Chairman of General Meeting</b>
<b>103.</b>	No business, except the election of a Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.	<b>Business confined to election of Chairman whilst chair is vacant.</b>
<b>104.</b>	a) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place. b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. c) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. d) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.	<b>Chairman with consent may adjourn meeting.</b>
<b>105.</b>	In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.	<b>Chairman's casting vote.</b>
<b>106.</b>	Any poll duly demanded on the election of Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.	<b>In what case poll taken without adjournment.</b>
<b>107.</b>	The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.	<b>Demand for poll not to prevent transaction of other business.</b>
	<b>VOTES OF MEMBERS</b>	

<b>108.</b>	No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien.	<b>Members in arrears not to vote.</b>
<b>109.</b>	Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.	<b>Number of vote search member entitled.</b>
<b>110.</b>	On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.	<b>Casting of votes by a member entitled to more than one vote.</b>
<b>111.</b>	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.	<b>Vote of member of unsound mind and of minor</b>
<b>112.</b>	Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.	<b>Postal Ballot</b>
<b>113.</b>	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.	<b>E-Voting</b>
<b>114.</b>	a) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof. b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.	<b>Votes of joint members.</b>
<b>115.</b>	Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles	<b>Votes may be given by proxy or by representative</b>
<b>116.</b>	A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.	<b>Representation of a body corporate.</b>
<b>117.</b>	(a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been	<b>Members paying money in advance.</b>

	called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.	
	(b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.	<b>Members not prohibited if share not held for any specified period.</b>
<b>118.</b>	Any person entitled under Article 73 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.	<b>Votes in respect of shares of deceased or insolvent members.</b>
<b>119.</b>	No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.	<b>No votes by proxy on show of hands.</b>
<b>120.</b>	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.	<b>Appointment of a Proxy.</b>
<b>121.</b>	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	<b>Form of proxy.</b>
<b>122.</b>	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.	<b>Validity of votes given by proxy not withstanding death of a member.</b>
<b>123.</b>	No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.	<b>Time for objections to votes.</b>
<b>124.</b>	Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.	<b>Chairperson of the Meeting to be the judge of validity of any vote.</b>
<b>DIRECTORS</b>		
<b>125.</b>	Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution	<b>Number of Directors</b>
<b>126.</b>	A Director of the Company shall not be bound to hold any Qualification Shares in the Company.	<b>Qualification shares.</b>
<b>127.</b>	(a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, the Board may appoint any person as a director nominated by any	<b>Nominee Directors.</b>

	<p>institution in pursuance of the provisions of any law for the time being in force or of any agreement</p> <p>(b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled.</p> <p>(c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board.</p> <p>(d) The Nominee Director/s shall, notwithstanding anything to the Contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.</p>	
<b>128.</b>	The Board may appoint an Alternate Director to act for a Director (hereinafter called “The Original Director”) during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.	<b>Appointment of alternate Director.</b>
129.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.	<b>Additional Director</b>
<b>130.</b>	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.	<b>Directors power to fill casual vacancies.</b>
<b>131.</b>	Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.	<b>Sitting Fees.</b>
<b>132.</b>	The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.	<b>Travelling expenses Incurred by Director on Company's business.</b>
<b>PROCEEDING OF THE BOARD OF DIRECTORS</b>		
<b>133.</b>	(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit. (b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.	<b>Meetings of Directors.</b>
<b>134.</b>	a) The Directors may from time to time elect from among their members a Chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, the	<b>Chairperson</b>

	<p>Directors present may choose one of the Directors then present to preside at the meeting.</p> <p>b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time.</p>	
<b>135.</b>	Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman will have a second or casting vote.	<b>Questions at Board meeting how decided.</b>
<b>136.</b>	The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.	<b>Continuing directors may act notwithstanding any vacancy in the Board</b>
<b>137.</b>	Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.	<b>Directors may appoint committee.</b>
<b>138.</b>	The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.	<b>Committee Meeting show to be governed.</b>
<b>139.</b>	<p>a) A committee may elect a Chairperson of its meetings.</p> <p>b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.</p>	<b>Chairperson of Committee Meetings</b>
<b>140.</b>	<p>a) A committee may meet and adjourn as it thinks fit.</p> <p>b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.</p>	<b>Meetings of the Committee</b>
<b>141.</b>	Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.	<b>Acts of Board or Committee shall be valid not withstanding defect in appointment.</b>
<b>RETIREMENT AND ROTATION OF DIRECTORS</b>		
<b>142.</b>	Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.	<b>Power to fill casual vacancy</b>
<b>POWERS OF THE BOARD</b>		
<b>143.</b>	The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However no regulation made by the Company	<b>Powers of the Board</b>



	in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.	
<b>144.</b>	Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say	<b>Certain powers of the Board</b>
	(1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.	<b>To acquire any property , rights etc.</b>
	(2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.	<b>To take on Lease.</b>
	(3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.	<b>To erect &amp; construct.</b>
	(4) At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.	<b>To pay for property.</b>
	(5) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.	<b>To insure properties of the Company.</b>
	(6) To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.	<b>To open Bank accounts.</b>
	(7) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.	<b>To secure contracts by way of mortgage.</b>
	(8) To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.	<b>To accept surrender of shares.</b>
	(9) To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.	<b>To appoint trustees for the Company.</b>

	(10) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon.	<b>To conduct legal proceedings.</b>
	(11) To act on behalf of the Company in all matters relating to bankruptcy insolvency.	<b>Bankruptcy &amp; Insolvency</b>
	(12) To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.	<b>To issue receipts &amp; give discharge.</b>
	(13) Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.	<b>To invest and deal with money of the Company.</b>
	(14) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;	<b>To give Security byway of indemnity.</b>
	(15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.	<b>To determine signing powers.</b>
	(16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.	<b>Commission or share in profits.</b>
	(17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.	<b>Bonus etc. to employees.</b>
	(18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any	<b>Transfer to Reserve Funds.</b>

	<p>portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the deprecation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.</p>	
	<p>(19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, laborers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.</p>	<p><b>To appoint and remove officers and other employees.</b></p>
	<p>(20) At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.</p>	<p><b>To appoint Attorneys.</b></p>
	<p>(21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.</p>	<p><b>To enter into contracts.</b></p>
	<p>(22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.</p>	<p><b>To make rules.</b></p>
	<p>(23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.</p>	<p><b>To effect contracts etc.</b></p>
	<p>(24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.</p>	<p><b>To apply &amp; obtain concessions licenses etc.</b></p>

	(25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents.	<b>To pay commissions or interest.</b>
	(26) To redeem preference shares.	<b>To redeem preference shares.</b>
	(27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.	<b>To assist charitable or benevolent institutions.</b>
	(28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company. (29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.	
	(30) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.	
	(31) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how. (32) To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products. (33) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient. (34) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate. (35) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested. (36) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company,	

	<p>either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.</p> <p>(37) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.</p> <p>(38) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.</p>	
	<b>MANAGING AND WHOLE-TIME DIRECTORS</b>	
<b>145.</b>	<p>a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.</p> <p>b) The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.</p>	<b>Powers to appoint Managing/Whole-time Directors.</b>
<b>146.</b>	The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.	<b>Remuneration of Managing or Whole-time Director.</b>
<b>147.</b>	<p>(1) Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board.</p> <p>(2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers.</p> <p>(3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Whole-time Director or Whole-time Directors of the Company and may exercise all the powers referred to in these Articles.</p> <p>(4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.</p>	<b>Powers and duties of Managing Director or Whole-time Director.</b>

	(5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.	
	<b>Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer</b>	
<b>148.</b>	<p>a) Subject to the provisions of the Act,—</p> <p>i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;</p> <p>ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.</p> <p>b) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.</p>	<b>Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer</b>
	<b>THE SEAL</b>	
<b>149.</b>	<p>(a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.</p> <p>(b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India.</p>	<b>The seal, its custody and use.</b>
<b>150.</b>	The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.	<b>Deeds how executed.</b>
	<b>Dividend and Reserves</b>	
<b>151.</b>	<p>(1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.</p> <p>(2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.</p> <p>(3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.</p>	<b>Division of profits.</b>
<b>152.</b>	The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the	<b>The company in General Meeting may declare Dividends.</b>

	amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.	
153.	a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit. b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.	<b>Transfer to reserves</b>
154.	Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.	<b>Interim Dividend.</b>
155.	The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.	<b>Debts may be deducted.</b>
156.	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.	<b>Capital paid up in advance not to earn dividend.</b>
157.	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.	<b>Dividends in proportion to amount paid-up.</b>
158.	The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.	<b>Retention of dividends until completion of transfer under Articles.</b>
159.	No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.	<b>No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.</b>
160.	A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.	<b>Effect of transfer of shares.</b>
161.	Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.	<b>Dividend to joint holders.</b>
162.	a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.	<b>Dividends how remitted.</b>
163.	Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.	<b>Notice of dividend.</b>
164.	No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.	<b>No interest on Dividends.</b>
<b>CAPITALIZATION</b>		
165.	(1) The Company in General Meeting may, upon the recommendation of the Board, resolve:	<b>Capitalization.</b>

	<p>(a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss account, or otherwise available for distribution; and</p> <p>(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.</p> <p>(2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards:</p> <p>(i) paying up any amounts for the time being unpaid on any shares held by such members respectively;</p> <p>(ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or</p> <p>(iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).</p> <p>(3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares.</p> <p>(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.</p>	
<b>166.</b>	<p>(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall —</p> <p>(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and</p> <p>(b) generally to do all acts and things required to give effect thereto.</p> <p>(2) The Board shall have full power -</p> <p>(a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also</p> <p>(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.</p> <p>(3) Any agreement made under such authority shall be effective and binding on all such members.</p> <p>(4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.</p>	<b>Fractional Certificates.</b>
<b>167.</b>	<p>(1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.</p> <p>(2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof.</p>	<b>Inspection of Minutes Books of General Meetings.</b>



168.	<p>a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.</p> <p>b) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.</p>	<b>Inspection of Accounts</b>
<b>FOREIGN REGISTER</b>		
169.	The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.	<b>Foreign Register.</b>
<b>DOCUMENTS AND SERVICE OF NOTICES</b>		
170.	Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed.	<b>Signing of documents &amp; notices to be served or given.</b>
171.	Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company.	<b>Authentication of documents and proceedings.</b>
<b>WINDING UP</b>		
172.	<p>Subject to the provisions of Chapter XX of the Act and rules made thereunder—</p> <p>(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.</p> <p>(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.</p> <p>(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.</p>	
<b>INDEMNITY</b>		
173.	Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.	<b>Directors' and others right to indemnity.</b>
174.	Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property	<b>Not responsible for acts of others</b>

	acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.	
	<b>SECRECY</b>	
<b>175.</b>	(a) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.	<b>Secrecy</b>
	(b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.	<b>Access to property information etc.</b>

## SECTION X – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of the Draft Red Herring Prospectus which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus will be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at Plot no - 68, 3rd floor, Block no. 5 W.E.A, Naiwala, Karol Bagh New Delhi-110005 India from date of filing the Red Herring Prospectus with RoC to Bid Closing Date on working days from 10.00 a.m. to 5.00 p.m.

#### Material Contracts

1. Issue Agreement dated February 26, 2019 between our Company and the BRLM;
2. Registrar Agreement dated February 26, 2019 between our Company and Link Intime India Private Limited, Registrar to the Issue;
3. Underwriting Agreement dated April 04, 2019 between our Company and Underwriter viz. BRLM;
4. Market Making Agreement dated April 04, 2019 between our Company, Market Maker and the BRLM;
5. Bankers to the Issue Agreement dated May 16, 2019 amongst our Company, the BRLM, Banker(s) to the Issue, Sponsor Bank and the Registrar to the Issue;
6. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated April 16, 2018;
7. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated May 02, 2018;
8. Syndicate Agreement dated April 04, 2019 between our Company, the BRLM and Syndicate Member.

#### Material Documents

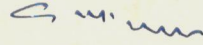
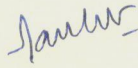
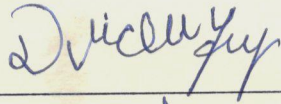
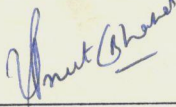
1. Certified copies of the updated Memorandum and Articles of Association of our Company along with certificates of incorporation as amended from time to time;
2. Resolutions of the Board of Directors dated January 15, 2019 in relation to the Issue and other related matters;
3. Shareholders' resolution dated February 08, 2019 in relation to the Issue and other related matters;
4. Statement of Tax Benefits dated March 16, 2019 issued by Amarnath Sharma & Co., Chartered Accountants.
5. Report of the Amarnath Sharma & Co., Chartered Accountants, dated March 16, 2019 on the Restated Consolidated Financial Statements for the period ended on December 31, 2018 and for the financial years ended as on March 31, 2018, 2017 and 2016 of our Company.
6. Audited Financial Statements of the Company along with Auditors Report for the period ended December 31, 2018 and financial years ended as on March 31, 2018, 2017 and 2016 of our Company.
7. Consents of Promoters, Directors, Promoter, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, Legal Advisor to the issue, the Book Running Lead Manager, Registrar to the issue, Underwriter, Market Maker, Bankers to the Issue, Refund Banker to the Issue, Sponsor Bank to act in their respective capacities.
8. CARE Report dated February, 2019;
9. Copy of In-Principle approval from BSE Limited *vide* letter dated April 12, 2019, to use the name of BSE in this issue document for listing of Equity Shares on BSE SME (SME Platform) of BSE Limited.

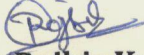
None of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

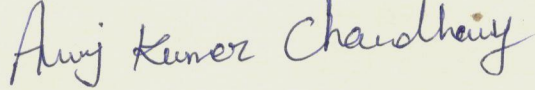
## DECLARATION

We, the under signed, hereby certify and declare that, all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the regulations / guidelines issued by SEBI, as the case may be, have been complied with and no statement made in the Red Herring Prospectus is contrary to the provisions of the Companies Act, SCRA, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations / guidelines issued, as the case may be. We further certify that all the disclosures and statements made in the Red Herring Prospectus are true and correct.

Signed by all the Directors of our Company

Name and Designation	Signature
<b>Mr. Gunnit Singh Allagh</b> Chairman & Managing Director DIN: : 02195678	
<b>Mr. Sanchit Alagh</b> Whole Time Director DIN: 02195744	
<b>Mr. Dinesh Suri</b> Independent Director DIN: 01432499	
<b>Ms. Upneet Chahal</b> Independent Director DIN: 08111462	

  
**Mr. Rajbir Kaushik**  
Chief Financial Officer

  
**Mr. Anuj Kumar Choudhary**  
Company Secretary and  
Compliance Officer

Place: Delhi  
Date: May 16, 2019

**Annexure A**

**DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED**

Sr · No	Issue Name	Issue Size (Cr)	Issue Price (Rs.)	Listing date	Openin g price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Ushanti Colour Chem Limited	11.56	60.00	August 02, 2018	64.20	17.58% (3.88%)	1.67% (-9.30%)	-23.33% (-5.19%)
2.	Manorama Industries Limited	64.00	188.00	October 04, 2018	190.20	-2.26% (-0.45%)	5.69% (3.09%)	6.38% (10.53%)
3.	Innovative Ideals and Services (India) Limited	12.26	40.00	October 05, 2018	43.00	215.00% (1.85%)	320.25% (4.41%)	299.75% (13.61%)
4.	Vinny Overseas Limited	10.37	40.00	October 11, 2018	40.50	11.25% (3.43%)	12.25% (5.54%)	5.00% (13.38%)
5.	Shubhlaxmi Jewel Art Limited	6.51	26.00	December 04, 2018	27.10	33.85% (-0.71%)	111.54% (-0.06%)	Not Applicable
6.	Deccan Health Care Limited	42.12	100.00	December 31, 2018	108.00	28.40% (-1.32%)	7.05% (7.22%)	Not Applicable
7.	Surani Steel Tubes Limited	12.92	52.00	February 06, 2019	53.10	-4.81% (-0.04%)	-7.69% (4.84%)	Not Applicable
8.	Ritco Logistics Limited	48.18	73.00	February 07, 2019	77.40	-5.00% (-0.81%)	-3.49% (4.75%)	Not Applicable
9.	Artedz Fabs Limited	8.32	36.00	March 29, 2019	40.00	5.56% (1.12%)	Not Applicable	Not Applicable
10.	Par Drugs and Chemicals Limited	8.53	51.00	May 16, 2019	52.90	Not Applicable	Not Applicable	Not Applicable

Sources: All share price data is from [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).

Note:-

1. The BSE Sensex and CNX Nifty are considered as the Benchmark Index
2. Prices on BSE/NSE are considered for all of the above calculations
3. In case the 30<sup>th</sup>/90<sup>th</sup>/180<sup>th</sup> day is a holiday, closing price on BSE/NSE of the previous trading day has been considered.
4. In case 30<sup>th</sup>/90<sup>th</sup>/180<sup>th</sup> days, scrips are not traded then closing price on BSE/NSE of the previous trading day has been considered.

**SUMMARY STATEMENT OF DISCLOSURE**

Financial year	Total no. of IPO	Total funds raised (Rs. Cr)	Nos of IPOs trading at discount on 30th Calendar day from listing date			Nos of IPOs trading at premium on 30th Calendar day from listing date			Nos of IPOs trading at discount on 180th Calendar day from listing date			Nos of IPOs trading at premium on 180th Calendar day from listing date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
17-18	*30	610.90	-	-	4	10	7	9	-	2	6	12	3	7
18-19	**25\$#	477.04	-	-	7	2	4	11	1	2	7	2	1	7
19-20	***1\$\$	8.53	-	-	-	-	-	-	-	-	-	-	-	-

\*The scripts Bohra Industries Limited, Creative Peripherals and Distribution Limited, Panache Digilife Limited, Zota Health Care Limited, Gautam Exim Limited, Bansal Multiflex Limited, Shrenik Limited, Jigar Cables Limited, Vaishali Pharma Limited, Lexus Granito (India) Limited, Worth Peripherals Limited, R M Drip and Sprinklers Systems Limited, Shree Tirupati Balajee FIBC Limited, Innovative Tyres and Tubes Limited, Poojawestern Metaliks Limited, Airo Lam Limited, Goldstar Power Limited, IRIS Business Services Limited, Tirupati Forge Limited, Beta Drugs Limited, One Point One Solutions Limited, Astron Paper & Board Mill Limited, Shree Ram Proteins Limited and Gujarat Hy – Spin Limited, Focus Suites Solutions & Services Limited, A and M Jumbo Bags Limited, Sintercom India Limited, Mohini Health & Hygiene Limited, South West Pinnacle Exploration Limited and Macpower CNC Machines Limited were listed on April 05, 2017, April 12, 2017, April 25, 2017, May 10, 2017 July 11, 2017, July 12, 2017, July 18, 2017, July 28, 2017, August 22, 2017, August 23, 2017, September 27, 2017, October 04, 2017, October 05, 2017, October 05, 2017, October 05, 2017, October 06, 2017, October 10, 2017, October 11, 2017, October 12, 2017, October 12, 2017, December 26, 2017, December 29, 2017, February 05, 2018, February 08, 2018, February 09, 2018, February 12, 2018, February 15, 2018, February 16, 2018, February 19, 2018 and March 22, 2018 respectively.

\*\*The scripts of Benara Bearings and Pistons Limited, Soni Soya Products Limited, Vera Synthetic Limited, S.S. Infrastructure Development Consultants Limited, Mahickra Chemicals Limited, Akshar Spintex Limited, Softtech Engineers Limited, Innovators Façade Systems Limited, Shree Vasu Logistics Limited, Affordable Robotic & Automation Limited, Latteys Industries Limited, Nakoda Group of Industries Limited, ShreeOswal Seeds and Chemicals Limited, Priti International Limited, Accuracy Shipping Limited, Ganga Forging Limited, Ushanti Colour Chem Limited, Manorama Industries Limited, Innovative Ideals and Services (India) Limited, Vinny Overseas Limited, Shubhlaxmi Jewel Art Limited, Deccan Health Care Limited, Surani Steel Tubes Limited, Ritco Logistics Limited and Artedz Fabs Limited were listed on April 3, 2018, April 12, 2018, April 12, 2018, April 12, 2018, April 26, 2018, May 11, 2018, May 11, 2018, May 24, 2018, June 4, 2018, June 4, 2018, June 5, 2018, June 6, 2018, June 20, 2018, June 21, 2018, June 22, 2018, July 11, 2018, August 02, 2018, October 04, 2018, October 05, 2018, October 11, 2018, December 04, 2018, December 31, 2018, February 06, 2019 February 07, 2019 and March 29, 2019 respectively.

\*\*\*The script of Par Drugs and Chemicals Limited was listed on May 16, 2019.

\$ The scripts of Shubhlaxmi Jewel Art Limited, Deccan Health Care Limited, Surani Steel Tubes Limited, Ritco Logistics Limited and Artedz Fabs Limited have not completed 180 Days, 180 Days, 180 Days 180 Days and 180 Days respectively from the date of listing.

\$\$ The script of Par Drugs and Chemicals Limited has not completed 30 Days from the date of listing.

# As on 30<sup>th</sup> trading day the closing price of the script Ganga Forging Limited was at par with the issue price. Hence it is not considered for counting the numbers of IPOs trading at discount and premium.

***Note:** Ambition Mica Limited is a Further Public Offering lead managed by Pantomath Capital Advisors Private Limited in the Financial Year 2017-18 and the same has not been included in the above mentioned Summary Statement of Disclosure as the disclosure is limited to IPOs only.*