



**Markolines**

**MARKOLINES TRAFFIC CONTROLS LIMITED**

**(Formerly known as "Markolines Traffic Controls Private Limited")**

Our Company was originally incorporated as "Mark-O-Line Traffic Controls Private Limited" on November 08, 2002 at Pune, Maharashtra as a private limited company under the Companies Act, 1956 with the Registrar of Companies, Pune. The Registered office of our Company got shifted from Pune to Mumbai vide Certificate of Registration of Regional Director order for Change of State dated September 27, 2005. The name of our Company was changed from "Mark-O-Line Traffic Controls Private Limited" to "Markolines Traffic Controls Private Limited" vide Fresh Certificate of Incorporation Consequent upon Change of Name pursuant to Shareholders Resolution passed at the Extra Ordinary General Meeting held on February 17, 2018. Further, our Company was converted into Public Limited Company pursuant to Shareholder's resolution passed at the Extraordinary General Meeting of our Company held on April 19, 2021 and the name of our Company was changed to "Markolines Traffic Controls Limited" and a Fresh Certificate of Incorporation consequent upon conversion of Company to Public Limited dated August 10, 2021 was issued by Registrar of Companies, Mumbai, Maharashtra, being Corporate Identification Number U99999MH2002PLC156371. For further Details of Incorporation and Change in Registered Office of our Company, please refer to section titled '*Our History and Certain Other Corporate Matters*' beginning on page 122 of this Prospectus.

**Registered Office:** 502, A Wing, Shree Nand Dham, Sector 11, CBD Belapur Navi Mumbai - 400614, Maharashtra India.

**Contact Person:** Mr. Parag Sudhir Jagdale, Company Secretary and Compliance Officer

**Tel:** +91 22 6266 1111; **E-mail:** [company.secretary@markolines.com](mailto:company.secretary@markolines.com); **Website:** [www.markolines.com](http://www.markolines.com)

**OUR PROMOTERS: MR. SANJAY BHANUDAS PATIL AND MR. KARAN ATUL BORA**

#### THE ISSUE

PUBLIC ISSUE OF 51,28,000 EQUITY SHARES OF FACE VALUE OF ₹ 10.00 EACH ("EQUITY SHARES") OF MARKOLINES TRAFFIC CONTROLS LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ 78.00 PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ 68.00 PER EQUITY SHARE (THE "ISSUE PRICE") AGGREGATING 3,999.84 LAKH ("THE ISSUE") OF WHICH 2,57,600 EQUITY SHARES OF FACE VALUE OF ₹ 10.00 EACH FOR CASH AT A PRICE OF ₹ 78.00 PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ 68.00 PER EQUITY SHARE AGGREGATING TO ₹ 200.93 LAKH WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. NET ISSUE OF 48,70,400 EQUITY SHARES OF FACE VALUE OF ₹ 10.00 EACH AT A PRICE OF ₹ 78.00 PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ 68.00 PER EQUITY SHARE AGGREGATING TO ₹ 3,798.91 LAKH (THE "NET ISSUE"). THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.84 % AND 25.49 % RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY

#### THE FACE VALUE OF THE EQUITY SHARE IS ₹ 10.00 AND THE ISSUE PRICE IS 7.8 TIMES OF THE FACE VALUE OF THE EQUITY SHARES

In terms of Rule 19(2)(b)(i) of the SCRR this Issue is being made for at least 25% of the Post-Issue Paid-up Equity Share Capital of our Company. This Issue is being made through Fixed Price process in accordance and compliance with Chapter IX and other applicable provisions of SEBI ICDR Regulations wherein a minimum 50% of the Net Issue is allocated for Retail Individual Applicants and the balance shall be offered to individual applicants other than Retail Individual Applicants and other investors including Corporate Bodies or Institutions, QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the Non-Retail Portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price. Additionally, if the Retail Individual Applicants category is entitled to more than fifty per cent on proportionate basis, the Retail Individual Applicants shall be allocated that higher percentage. All potential investors shall participate in the Issue only through an Application Supported by Blocked Amount ("ASBA") process including through UPI mode (as applicable) by providing details of the respective bank accounts and / or UPI IDs, in case of RIIs, if applicable, which will be blocked by the Self-Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to '*Issue Procedure*' on page 216 of this Prospectus. A copy will be filed with the Registrar of Companies as required under Section 26 of the Companies Act, 2013.

#### RISK IN RELATION TO THE FIRST ISSUE

This being the first Public Issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 10.00. The Issue Price (as determined by our Company in consultation with the Lead Manager as stated in '*Basis for Issue Price*' beginning on page 73 of this Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

#### GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of the Issuer and the Issue including the risks involved. The Equity Shares in the Issue have neither been recommended nor approved by Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of this Prospectus. Specific attention of the investors is invited to the section titled '*Risk Factors*' beginning on page 21 of this Prospectus.

#### ISSUER'S ABSOLUTE RESPONSIBILITY

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

#### LISTING

The Equity Shares issued through the Prospectus are proposed to be listed on the SME Platform of BSE Limited. Our Company has received 'in-principle' approvals from BSE for the listing of the Equity Shares pursuant to letters dated September 03, 2021. For the purposes of the Issue, the Designated Stock Exchange shall be BSE Limited.

#### LEAD MANAGER TO THE ISSUE



**GRETEX CORPORATE SERVICES LIMITED**

Office No. 13, 1st Floor, New Bansilal Building, Raja Bahadur Mansion, 9-15, Homi Modi Street, Fort, Mumbai – 400 001, Maharashtra, India

**Tel No.:** +91 – 22 – 4002 5273 / 98368 22199 / 98368 21999

**Email:** [info@gretexgroup.com](mailto:info@gretexgroup.com) / [mbk@gretexgroup.com](mailto:mbk@gretexgroup.com)

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

**Contact Person:** Mr. Janil Dilip Jain

**SEBI Registration No:** INM000012177

**CIN:** U74999MH2008PLC288128

#### REGISTRAR TO THE ISSUE



**BIGSHARE SERVICES PRIVATE LIMITED**

1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai – 400 059, Maharashtra, India

**Tel No.:** +91 – 22 – 6263 8200; **Fax No.:** +91 – 22 – 6263 8299

**E-mail:** [ipo@bigshareonline.com](mailto:ipo@bigshareonline.com)

**Investor Grievance E-mail:** [investor@bigshareonline.com](mailto:investor@bigshareonline.com)

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

**Contact Person:** Mr. Swapnil Kate

**SEBI Registration No.:** INR000001385

**CIN:** U99999MH1994PTC076534

#### ISSUE PROGRAMME

ISSUE OPENS ON: WEDNESDAY, SEPTEMBER 15, 2021

ISSUE CLOSES ON: MONDAY, SEPTEMBER 20, 2021

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## SECTION I: GENERAL

### DEFINITIONS AND ABBREVIATIONS

*This Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies, as amended, supplemented or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.*

*The words and expressions used in this Prospectus but not defined herein shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI (ICDR) Regulations, the SCRA, the Listing Regulations, the Depositories Act or the Rules and Regulations made thereunder.*

*Notwithstanding the foregoing, terms used in of the sections “Statement of Possible Tax Benefits”, “Financial Statement as Restated”, “Main Provisions of Articles of Association”, “Basis for Issue Price”, “Our History and Certain Corporate Matters”, “Other Regulatory and Statutory Disclosures” and “Outstanding Litigations and Material Developments” on pages 75, 158, 234, 73, 122, 195 and 182 respectively, shall have the meaning ascribed to such terms in the relevant section.*

### GENERAL TERMS

Term	Description
“Mark-o-line”, “Markolines Traffic Controls Limited”, “Markolines”, “MTCL” “We” or “us” or “Our Company” or “the Issuer”	Unless the context otherwise indicates or implies, refers to Markolines Traffic Controls Limited, a public limited company incorporated as private limited under the Companies Act, 1956 and having Registered Office at 502, A Wing, Shree Nand Dham sector 11, CBD Belapur Navi Mumbai - 400614, Maharashtra India.
Promoter(s)/ Core Promoter	The promoters of our Company being Mr. Sanjay Bhanudas Patil and Mr. Karan Atul Bora for further details, please refer to chapter titled “ <b><i>Our Promoter and Promoter Group</i></b> ” on page 148 of this Prospectus
Promoter Group	Such persons, entities and companies constituting our promoter group pursuant to Regulation 2(1) (pp) of the SEBI (ICDR) Regulations as disclosed in the Chapter titled “ <b><i>Our Promoter and Promoter Group</i></b> ” on page 148 of this Prospectus

### COMPANY RELATED TERMS

Term	Description
AOA/Articles / Articles of Association	Unless the context otherwise requires, refers to the Articles of Association of Markolines Traffic Controls Limited, as amended from time to time
Audit Committee	Audit Committee of our Company constituted in accordance Section 177 of the Companies Act, 2013 and as described in the chapter titled “ <b><i>Our Management</i></b> ” beginning on page 127 of this Prospectus.
Auditor of our Company/ Statutory Auditor	The Statutory Auditors of our Company, being M/s. Gupta Agarwal & Associates., Chartered Accountants holding a valid peer review certificate as mentioned in the section titled “ <b><i>General Information</i></b> ” beginning on page 44 of this Prospectus.
Banker to our Company	State Bank of India, as disclosed in the section titled “ <b><i>General Information</i></b> ” beginning on page 44 of this Prospectus.
Board/ Board of Directors / Our Board	The Board of Directors of our Company, including all duly constituted Committees thereof. For further details of our Directors, please refer to chapter titled “ <b><i>Our Management</i></b> ” beginning on page 127 of this Prospectus.
Chief Financial Officer / CFO	The Chief Financial Officer of our Company as mentioned in the chapter titled “ <b><i>General Information</i></b> ” beginning on page 44 of this Prospectus.
Company Secretary & Compliance Officer	The Company Secretary and Compliance Officer of our Company as mentioned in the chapter titled “ <b><i>General Information</i></b> ” beginning on page 44 of this Prospectus.
Director(s) / our Directors	Director(s) of our company unless otherwise specified
Depositories Act	The Depositories Act, 1996, as amended from time to time
Depositories	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
Equity Shares / Shares	The equity shares of our Company of face value of ₹10.00 each unless otherwise specified in the context thereof

Term	Description
Equity Shareholders / Shareholders	Persons/ Entities holding Equity Shares of the Company
Financial Statements as Restated	The Financial Statements as Restated of our Company which comprises of the restated balance sheet, the profit and loss account and the restated cash flow statement for the Financial Years ended March 31, 2021; 2020; and 2019, together with the annexures and the notes thereto, which we have been prepared in accordance with the Companies Act, the applicable Accounting Standards and restated in accordance with the SEBI (ICDR) Regulations.
Group Companies/Entities	Such companies/entities as covered under the applicable accounting standards and such other companies as considered material by the Board. For details of our Group Companies/ entities, please refer <b>“Our Group Entities”</b> on page 152 of this Prospectus.
Indian GAAP	Generally Accepted Accounting Principles in India
Independent Directors	Independent directors on the Board, and eligible to be appointed as an independent director under the provisions of Companies Act and SEBI Listing Regulations. For details of the Independent Directors, please refer chapter titled <b>“Our Management”</b> beginning on page 127 of this Prospectus
ISIN	International Securities Identification Number, being INE0FW001016.
Key Management Personnel / KMP	Key Managerial Personnel of our Company in terms of the Companies Act, 2013 and Regulation 2(1) (bb) of the SEBI (ICDR) Regulations 2018 and Section 2(51) of the Companies Act, 2013. For details, see section entitled <b>“Our Management”</b> beginning on page 127 of this Prospectus.
MD or Managing Director	The Managing Director of our Company, Mr. Sanjay Bhanudas Patil
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on August 20, 2021 in accordance with the requirements of the SEBI (ICDR) Regulations
MoA / Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time
Nomination & Remuneration Committee	The nomination and remuneration committee of our Company constituted in accordance with Section 178 of the Companies Act, 2013, as disclosed in the chapter titled <b>“Our Management”</b> beginning on page 127 of this Prospectus
Registered Office	The registered office of our Company situated at 502, A Wing, Shree Nand Dham sector 11, CBD Belapur Navi Mumbai - 400614, Maharashtra India.
RoC / Registrar of Companies	Registrar of Companies, Mumbai situated at Registrar of Companies, 100, Everest, Marine Drive, Mumbai – 400 002, Maharashtra, India.
Stakeholders’ Relationship Committee	The Stakeholder’s relationship committee of our Company constituted in accordance with Section 178 of Companies Act, 2013 and as described under the chapter titled <b>“Our Management”</b> beginning on page 127 of this Prospectus
Stock Exchange	Unless the context requires otherwise, refers to, the SME Platform of BSE Limited.
You or Your or Yours	Prospective Investors in this Issue.

## ISSUE RELATED TERMS

Term	Description
Abridged Prospectus	Abridged Prospectus to be issued under Regulation 255 of SEBI ICDR Regulations and appended to the Application Form
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of having accepted the Application Form.
Allocation/ Allocation of Equity Shares	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Issue.
Allot / Allotment /Allotted	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Applicants
Allottee(s)	A successful Applicant(s) to whom the Equity Shares are being/ have been allotted
Applicant/Investor	Any prospective investor who makes an application pursuant to the terms of the Prospectus and the Application Form.
Application	An indication to make an application during the Issue Period by an Applicant, pursuant to submission of Application Form, to subscribe for or purchase our Equity Shares at the Issue Price including all revisions and modifications thereto, to the extent permissible under the SEBI (ICDR) Regulations
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of the Company.



Term	Description
Application Supported by Blocked Amount/ ASBA	An application whether physical or electronic, used by ASBA Applicant to make an application authorizing an SCSB to block the Application Amount in the specified Bank Account maintained with such SCSB and will include amounts blocked by RIIs using the UPI mechanism.
ASBA Account	A bank account maintained with an SCSB and specified in the Application Form submitted by the Applicants or the account of the RII Applicants blocked upon acceptance of UPI Mandate Request by RIIs using the UPI mechanism, to the extent of the Application Amount specified by the Applicant.
ASBA Applicant(s)	Any prospective investor who makes an application pursuant to the terms of the Prospectus and the Application Form.
ASBA Application/ Application	An application form, whether physical or electronic, used by ASBA Applicants which will be considered as the application for Allotment in terms of the Prospectus.
Bankers to the Company	Such banks which are disclosed as Bankers to our Company in the chapter titled titled “ <b>General Information</b> ” on page no. 44 of this Prospectus.
Bankers to the Issue/ Refund Banker/ Sponsor Bank	The banks which are Clearing Members and registered with SEBI as Banker to an Issue with whom the Escrow Agreement is entered and in this case being ICICI Bank Limited.
Bankers to the Issue Agreement	Banker to the Issue Agreement dated September 01, 2021 between our Company, the Lead Manager, Registrar and Banker to the Issue and Sponsor Bank and addendum to Banker to the Issue Agreement dated September 06, 2021.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue, described in “ <b>Issue Procedure</b> ” on page 216 of this Prospectus
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>
BSE SME	SME Platform of BSE Limited
Business Day	Monday to Friday (except public holidays)
CAN / Confirmation of Allocation Note	Confirmation of Allocation Note/the note or advice or intimation of Allotment, sent to each successful Applicant who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange
Circular’s on Streamlining of Public Issues	Circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 amended by circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019 and circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019 and any subsequent circulars issued by SEBI in this regard.
Client ID	Client identification number of the Applicant’s beneficiary account
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Application Forms at the Designated CDP Locations in terms of circular no. GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Controlling Branches/ Controlling Branches of the SCSBs.	Such branches of the SCSBs which co-ordinate Application Forms by the ASBA Applicants with the Registrar to the Issue and Stock Exchanges and a list of which is available at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation and Bank Account details 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 locations of the CDPs where Applicants can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the website of the Stock Exchange ( <a href="http://www.bseindia.com">www.bseindia.com</a> )
Designated Date	The date on which relevant amounts are transferred from the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, and the instructions are issued to the SCSBs (in

Term	Description
	case of RIIs using UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, in terms of the Prospectus following which Equity Shares will be Allotted in the Issue.
Designated Intermediaries / Collecting Agent	<p>In relation to ASBA Forms submitted by RIIs authorising an SCSB to block the Application Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs.</p> <p>In relation to ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism, Designated Intermediaries shall mean syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs.</p> <p>In relation to ASBA Forms submitted by QIBs and NIBs, Designated Intermediaries shall mean SCSBs, syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs.</p>
Designated Market Maker / Market Maker	In our case, Gretex Share Broking Private Limited having its registered office at Office No. 13, 1 <sup>st</sup> Floor, New Bansilal Building, Raja Bahadur Mansion, 9-15, Homi Modi Street, Fort Mumbai – 400023, Maharashtra, India.
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
Designated Stock Exchange/ Stock Exchange	BSE Limited
Draft Prospectus	This Draft Prospectus dated August 29, 2021, filed with the BSE Limited in accordance with the SEBI ICDR Regulations
DP	Depository Participant
DP ID	Depository Participant's Identity number
Eligible NRI	NRI eligible to invest under the FEMA Regulations, from jurisdictions outside India where it is not unlawful to make an application or invitation to participate in the Issue and in relation to whom the Application Form and the Prospectus will constitute an invitation to subscribe for Equity Shares and who have opened dematerialized accounts with SEBI registered qualified depository participants
Escrow Account(s)	Account(s) opened with the Banker(s) to the Issue pursuant to Escrow and Sponsor Bank Agreement
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
First/ Sole Applicant	Applicant whose name shall be mentioned in the 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.
Fresh Issue	Fresh Issue of 51,28,000 Equity Shares of face value ₹10.00 each of Markolines Traffic Controls Limited for cash at a price of ₹ 78.00 per Equity Shares (including premium of ₹ 68.00 per Equity Shares) aggregating to ₹3,999.84 Lakh by our Company
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018
General Corporate Purposes	Include such identified purposes for which no specific amount is allocated or any amount so specified towards general corporate purpose or any such purpose by whatever name called, in the offer document. Provided that any issue related expenses shall not be considered as a part of general corporate purpose merely because no specific amount has been allocated for such expenses in the offer document.
General Information Document	<p>The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) page</p> <p>October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, the circular (CIR/CFD/DIL/1/2016) dated January 1, 2016 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, circular no.</p>

Term	Description
	(SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019 and circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, issued by SEBI. The General Information Document is available on the websites of the Stock Exchanges and the LM.
Issue/ Public Issue/ Issue size / Initial Public Issue / Initial Public Offering/ IPO/ Present Issue	Public Issue of 51,28,000 Equity Shares of face value of ₹10.00 each of our Company for cash at a price of ₹ 78.00 per Equity Shares (including premium of ₹ 68.00 per Equity Shares) aggregating to ₹3,999.84 Lakh
Issue Agreement	The Memorandum of Understanding dated August 25, 2021, entered into between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue and addendum to Memorandum of Understanding dated September 06, 2021.
Issue Closing Date	The date on which the Issue closes for subscription i.e. September 15, 2021
Issue Opening Date	The date on which the Issue opens for subscription i.e. September 20, 2021
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days during which prospective Applicants can submit their applications, including any revisions thereof
Issue Price	The price at which Equity Shares are being issued by our Company being ₹ 78.00 per Equity Share (including premium of ₹ 68.00 per Equity Share)
Issue Proceeds	The proceeds of the Issue as stipulated by the Company. For further information about use of the Issue Proceeds please see the chapter titled “ <i>Objects of the Issue</i> ” beginning on page 66 of this Prospectus
Lead Manager / LM	The Lead Manager to the Issue, in this case being Gretex Corporate Services Limited
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and the BSE Limited.
Lot Size	The Market lot and Trading lot for the Equity Share is 1,600 and in multiples of 1,600 thereafter; subject to a minimum allotment of 1,600 Equity Shares to the successful applicants.
Market Making Agreement	Market Making Agreement dated August 25, 2021 between our Company, the Lead Manager and Market Maker and addendum to Market Making Agreement dated September 06, 2021
Market Maker Reservation Portion	2,57,600 Equity Shares of ₹10 each at ₹ 78.00 per Equity Share (including premium of ₹ 68.00 per Equity Share) aggregating to ₹ 200.93 Lakh reserved for subscription by the Market Maker.
Mobile App(s)	The mobile applications listed on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as may be updated from time to time, which may be used by RIIs to submit Applications using the UPI Mechanism
Mutual Fund	A Mutual Fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended.
Net Issue	The Net Issue of 48,70,400 which is excluding the Market Maker Reservation Portion of 2,57,600 Equity Shares of face value of ₹10 each fully paid up for cash at a price of ₹ 78.00 per Equity Share (including premium of ₹ 68.00 per Equity Share) aggregating ₹ 3,798.91 Lakh by our Company
Net Proceeds	Proceeds of the Issue that will be available to our Company, which shall be the gross proceeds of the Issue less the Issue expenses
Non-Institutional Investors / NIIs	All Applicants, including Category III FPIs that are not QIBs or Retail Individual Investors who have made Application for Equity Shares for an amount of more than ₹2.00 Lakh (but not including NRIs other than Eligible NRIs)
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.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires
Prospectus	The Prospectus to be filed with the RoC in accordance with the provisions of Section 26 and Section 32 of the Companies Act, 2013
Public Issue Account	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 on the Designated Date

Term	Description
Qualified Institutional Buyers or QIBs	A qualified institutional buyer as defined under Regulation 2(1) (ss) of the SEBI ICDR Regulations, 2018
Refund Account	Account to which Application monies to be refunded to the Applicants
Registered Brokers	Stockbrokers registered with the stock exchanges having nationwide terminals
Registrar Agreement	The Agreement between the Registrar to the Issue and the Issuer Company dated August 25, 2021 in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue and addendum to Registrar to the Issue Agreement dated September 06, 2021
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 to the Issue	Registrar to the Issue being Bigshare Services Private Limited.
Retail Individual Investors/ RIIs	Applicants (including HUFs, in the name of Karta and Eligible NRIs) whose Application Amount for Equity Shares in the Issue is not more than ₹2.00 Lakh.
Revision Form	Form used by the Applicants to modify the quantity of the Equity Shares or the Applicant Amount in any of their ASBA Form(s) or any previous Revision Form(s). QIB Applicants and Non-Institutional Applicants are not allowed to withdraw or lower their applications (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Applicants can revise their Application during the Issue Period and withdraw their Applications until Issue Closing Date.
Sponsor Bank	The Banker to the Issue registered with SEBI which is appointed by the issuer to act as a conduit between the Stock Exchanges and the National Payments Corporation of India in order to push the mandate collect requests and / or payment instructions of the RIIs into the UPI, the Sponsor Bank in this case being ICICI Bank Limited
Underwriter	Gretex Corporate Services Limited and Gretex Share Broking Private Limited
Underwriting Agreement	The agreement dated August 25, 2021 entered into between the Underwriters and our Company and addendum to Underwriting Agreement dated September 06, 2021
UPI	Unified Payments Interface (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.
UP ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI)
UPI Mandate Request	A request (intimating the RII by way of a notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Application Amount and subsequent debit of funds in case of Allotment.
UPI mechanism	The bidding mechanism that may be used by an RII to make an Application in the Issue in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018 read with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019.
UPI PIN	Password to authenticate UPI transaction
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Working Days	All days on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Issue Period, "Working Day" shall mean all days, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; (c) the time period between the Bid/Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the circulars issued by SEBI.

## CONVENTIONAL AND GENERAL TERMS AND ABBREVIATIONS

Term	Description
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

Term	Description
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
Authorized Dealers	Authorized Dealers registered with RBI under the Foreign Exchange Management (Foreign Currency Accounts) Regulations, 2000
AY	Assessment Year
B. A.	Bachelor of Arts
B. Com	Bachelor of Commerce
Bn	Billion
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
CCI	The Competition Commission of India
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CGST	Central GST
CIN	Corporate Identification Number
CIPR	Cold-In-Place-Recycling
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
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 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	Earnings Before Interest, Tax, Depreciation and Amortization
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
Electricity Act	The Electricity Act, 2003
Environment Protection Act	The Environment (Protection) Act, 1986
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



Term	Description
ESI Act	The Employees' State Insurance Act, 1948
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.
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 Trans boundary Movement) Rules, 2008
ICAI	The Institute of Chartered Accountants of India
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.
IPO	Initial Public Offering
ISIN	International Securities Identification Number
ITA	The Indian Tolls Act, 1851
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
Mill & Fill	Removing the existing surface layer with a milling machine and then transporting the material to a storage facility
MMR	Major Maintenance and Repair
MSME	Micro, Small and Medium Enterprise
MSMED Act	The Micro, Small and Medium Enterprises Development Act, 2006
MWA	Minimum Wages Act, 1948
Mn	Million
MoEF	Ministry of Environment and Forests
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding

Term	Description
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
NHA	The National Highways Act, 1956
NHF Rules	The National Highways Fee (Determination of Rates and Collection) Rules, 2008
NHAI Act	National Highway Authority Act, 1988
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
NPV	Net Present Value
NR/ Non-resident	A person resident outside India, as defined under the FEMA and includes a Non-resident Indian
NRE Account	Non-Resident External Account established and operated in accordance with the FEMA
NRIs	Non-Resident Indians
NRO Account	Non-Resident Ordinary Account established and operated in accordance with the FEMA
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
O&M	Operation and Maintenance
p.a.	per annum
Pcs	Pieces
P/E Ratio	Price/Earnings Ratio
PAN	Permanent account number
Petroleum Act	Petroleum Act, 1934
Petroleum Rules	Petroleum Rules, 1976
PAT	Profit after Tax
PIL	Public Interest Litigation
POB Act	Payment of Bonus Act, 1965
PPP	Public Private Partnership
Public Liability Act/PLI Act	The Public Liability Insurance Act, 1991
Pvt./(P)	Private
PWD	Public Works Department of state governments
QFI(s)	Qualified Foreign Investor(s) as defined under the SEBI FPI Regulations
QIC	Quarterly Income Certificate
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
SCRR	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 (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
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

Term	Description
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
Sec.	Section
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.
Thermoplastic	A material, usually a plastic polymer, which becomes more soft when heated and hard when cooled
TM Act	The Trademarks Act, 1999
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 or an issuer who or which is categorized as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India

#### TECHNICAL / INDUSTRY RELATED TERMS

Term	Description
A.B.S	Acrylonitrile Butadiene Styrene
ASSOCHAM	Associated Chambers of Commerce and Industry of India
BCG	Boston Consulting Group
B2B	Business-to-business
CAGR	Compound Annual Growth Rate
CPI	Consumer Price Index
EUR	EURO
Extrusion Technology	A metal forming process in which metal or work piece is forced to flow through a die to reduce its cross section or convert it into desire shape
FDI	Foreign Direct Investment
FTP	Foreign Trade Policy
GDP	Gross Domestic Product
GFSR	Global Financial Stability Report
GST	Goods and Service Tax
GVA	Gross Value Added
ILO	International Labour Organisation
ITI	Industrial Training Institutes
M&A	mergers and acquisition
MEIS	Merchandise Exports from India Scheme
Micro-Surfacing	Is a surface treatment used in problem sections of roads or runways to eliminate hydroplaning problems that occur during periods of rain
NASSCOM	The National Association of Software and Services Companies
NPE	National Policy on Electronics
PE	private equity
PLEXCONCIL	Plastics Export Promotion Council
PMI	Purchasing Managers' Index

PMAY(U)	Pradhan Mantri Awas Yojana (Urban)
PMGK	Pradhan Mantri Garib Kalyan Package
PMKK	Pradhan Mantri Kaushal Kendras
PMKVY	Pradhan Mantri Kaushal Vikas Yojana
PMSBHGY	Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA)
RBI	Reserve Bank of India
Ribbon Development	The building of houses along a main road, especially one leading out of a town or village.
SEIS	Service Exports from India Scheme
TARI	Thought Arbitrage Research Institute
Thermoplastic	A material, usually a plastic polymer, which becomes more soft when heated and hard when cooled
Toll	A charge payable to use a bridge or road.
US	United States
USA	United States of America
USD	United States Dollar
WEO	World Economic Outlook
WTO	World Trade Organisation

## CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF FINANCIAL PRESENTATION

In this Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company” and “MTCL”, unless the context otherwise indicates or implies, refers to Markolines Traffic Controls Limited.

### CERTAIN CONVENTION

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

Unless indicated otherwise, all references to page numbers in this Prospectus are to page numbers of this Prospectus.

### FINANCIAL DATA

Unless stated otherwise, the financial data in this Prospectus is derived from our audited restated financial statements for the Financial Years ended March 31, 2021; March 31, 2020 and March 31, 2019 prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, Guidance Note on “Reports in Company Prospectus (Revised 2019)” issued by ICAI and the Indian GAAP which are included in this Prospectus, and set out in “*Financial Statements as Restated*” on page 158 of this Prospectus.

In this Prospectus, any discrepancies in any table between the total and the sum of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal place and all percentage figures have been rounded off to two decimal places and accordingly there may be consequential changes in this Prospectus.

Our Company’s financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year, so all references to a particular financial year are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.

There are significant differences between Indian GAAP and IND (AS). Accordingly, the degree to which the Restated Financial Statements included in this Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices, Indian GAAP, IND (AS), the Companies Act and the SEBI (ICDR) Regulations, on the Restated Financial Statements presented in this Prospectus should accordingly be limited. Although we have included a summary of qualitative and quantitative differences between Indian GAAP and IND (AS), our financial statements reported under IND (AS) in future accounting periods may not be directly comparable with our financial statements historically prepared in accordance with Indian GAAP, including disclosed in this Prospectus. You should consult your own advisors regarding such differences and their impact on our financial data.

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” and elsewhere in this Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Statutory Auditor, set out in the section titled ‘*Financial Statements as Restated*’ beginning on page 158 of this Prospectus.

### CURRENCY AND UNITS OF PRESENTATION

In this Prospectus, unless the context otherwise requires, all references to (a) ‘Rupees’ or ‘₹.’ or ‘Rs.’ or ‘INR’ are to Indian rupees, the official currency of the Republic of India; (b) ‘US Dollars’ or ‘US\$’ or ‘USD’ or ‘\$’ are to United States Dollars, the official currency of the United States of America. All references to the word ‘Lakh’ or ‘Lakhs’, ‘Lac’ or ‘Lacs’, means ‘One hundred thousand’ and the word ‘Million’ means ‘Ten lakh’ and the word ‘Crore’ means ‘Ten Million’ and the word ‘Billion’ means ‘One Thousand Million’.

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and elsewhere in this Prospectus, unless otherwise indicated, have been calculated based on our financial statements as restated prepared in accordance with Indian GAAP.

### INDUSTRY AND MARKET DATA

Unless stated otherwise, industry and market data used throughout this Prospectus has been obtained or derived from Internal Company reports and industry and Government publications, publicly available information and sources. Industry and



Government publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Although, our Company believes that industry data used in this Prospectus is reliable, it has not been independently verified either by the Company or the Lead Manager or any of their respective affiliates or advisors.

Further, the extent to which the industry and market data presented in this Prospectus is meaningful depends on the reader's familiarity with and understanding of, the methodologies used in compiling such data. There are 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.

#### **EXCHANGE RATE**

This Prospectus may contain conversion of certain other currency amounts into Indian Rupees that has been presented solely to comply with the SEBI (ICDR) Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

## FORWARD LOOKING STATEMENTS

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

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

Further the actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the Infrastructure sector in India where we have our businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and overseas which have an impact on our business activities or investments, the monetary and fiscal policies of India and other jurisdictions in which we operate, inflation, deflation, unanticipated volatility in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and / or acts of violence. Other important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

1. Impact of the COVID-19 pandemic on our business and operations;
2. General economic and business conditions in India and other countries;
3. Our reliance on internet network and our ability to utilize systems in an uninterrupted manner;
4. Effect of lack of infrastructure facilities on our business;
5. Our ability to attract, retain and manage qualified personnel;
6. Dependence on our information technology system;
7. Our ability to successfully implement our growth strategy and expansion plans, technological changes;
8. Changes in fiscal, economic or political conditions in India;
9. Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
10. The performance of the Infrastructure Industry in India;
11. Any adverse outcome in the legal proceedings in which we are involved;
12. The occurrence of natural disasters or calamities;
13. Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;
14. Failure to obtain any approvals, licenses, registrations and permits in a timely manner;
15. Conflict of Interest with group companies, the promoter group and other related parties;

16. Changes in the value of the Rupee and other currencies;
17. Other factors beyond our control; and
18. Our ability to manage risks that arise from these factors.

For further discussions of factors that could cause our actual results to differ, please see the section titled “**Risk Factors**”, chapters titled “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” beginning on pages 21, 94 and 159 of this Prospectus, respectively

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

## SECTION II: SUMMARY OF ISSUE DOCUMENT

### **A. OVERVIEW OF INDUSTRY**

**Infrastructure Industry:** Infrastructure sector is a key driver for the Indian economy. The sector is highly responsible for propelling India's overall development and enjoys intense focus from Government for initiating policies that would ensure time-bound creation of world class infrastructure in the country. Infrastructure sector includes power, bridges, dams, roads, and urban infrastructure development.

According to the Department for Promotion of Industry and Internal Trade (DPIIT), FDIs in the construction development sector (townships, housing, built up infrastructure and construction development projects) and construction (infrastructure) activities stood at US\$ 26.08 billion and US\$ 24.72 billion, respectively, between April 2000 and March 2021. In FY21, infrastructure activities accounted for 13% share of the total FDI inflows of US\$ 81.72 billion.

**Road Industry:** India has the second-largest road network in the world, spanning a total of 5.89 million kilometers (kms). This road network transports 64.5% of all goods in the country and 90% of India's total passenger traffic uses road network to commute. Road transportation has gradually increased over the years with improvement in connectivity between cities, towns and villages in the country. In India, sale of automobiles and movement of freight by roads is growing at a rapid rate.

Highway construction in India increased at 17.00% CAGR between FY16-FY21. Despite pandemic and lockdown, India has constructed 13,298 km of highways in FY21. In FY21, 13,298 kms of highway was constructed across India. In May 2021, the Ministry of Road Transport and Highways constructed 1,470 kms of national highways compared with 847 kms in May 2020. In October 2020, the foundation stone was established for nine National Highway projects—with a total length of ~262 kms—worth >Rs. 2752 crore (US\$ 371.13 million) in Tripura. The Government of India has allocated Rs. 111 lakh crore (US\$ 1.4 trillion) under the National Infrastructure Pipeline for FY 2019-25. The roads sector is likely to account for 18% capital expenditure over FY 2019-25. In October 2020, The National Investment and Infrastructure Fund (NIIF) is making progress towards integrating its road and highway portfolio. The NIIF has acquired Essel Devanahalli Tollway and Essel Dichpally Tollway through the NIIF master fund. These road infra-projects will be supported by Athaang Infrastructure, NIIF's proprietary road network, assisted by a team of established professionals with diverse domain expertise in the transport field.

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

Share of the services sector accounted for 55.39% of the total GVA in FY21. India's services sector GVA increased at a CAGR of 11.43% to Rs. 101.47 trillion (US\$ 1,439.48 billion) in FY20, from Rs. 68.81 trillion (US\$ 1,005.30 billion) in FY16. Between FY16 and FY20, financial, real estate and professional services augmented at a CAGR of 11.68% (in Rs. terms), while trade, hotels, transport, communication and services related to broadcasting rose at a CAGR of 10.98% (in Rs. terms). According to RBI, in April 2021, service exports stood at US\$ 21.17 billion, while imports stood at US\$ 10.61 billion. The India Services Business Activity Index/ Nikkei/IHS Markit Services Purchasing Managers' Index fell to 46.4 in May 2021 from 54.0 in April 2021, as output and new orders declined due to COVID-19-induced restrictions to contain the spread of coronavirus.

### **B. OVERVIEW OF BUSINESS**

We are a Highway Operations & Maintenance (**O&M**) Service providing company. We thrive to make Highway Operations & Maintenance cost effective and easier with the help of Innovation, Technology & out-of-the-box solutions. Our vast experience of 19 years in offering superior services in the Highway Operations & Maintenance (**O&M**) have earned us name in the (**O&M**) domain. Our principal business operations are broadly divided into three categories:

- i) Highway Operations under which we provide services like Toll operations, Route Patrolling and Incident management;
- ii) Highway Maintenance under which we provide services like Routine Maintenance, Preventive Maintenance and Major Maintenance & Repairs (MMR);
- iii) Specialized Maintenance Services under which we provide services which enhance the life and quality of road, these are Microsurfacing (MS), Base / Sub base Stabilization (FDR) and Cold In Place Recycling (CIPR).

Our company was incorporated on November 08, 2002 and since our inception we have gradually increased our execution capabilities in terms of the size and Number of projects that we have executed. We started our business operation with a single product that was thermoplastic road marking and over the years we have transformed into a well-known Highway Operations & Maintenance (O&M) service provider in India. For example, one of the first road projects that we executed was for Larsen & Toubro Limited, in the year 2003 with a Project Cost of ₹ 97.05 Lakh, whereas the project recently awarded to us by Mumbai Metropolitan Region Development Authority, for Execution of Rehabilitation, Overlay and Microsurfacing in the State of Maharashtra in 2021 involves a Project Cost of ₹ 13,262 Lakh. In over a decade and a half, we have transitioned from a single product company to a multi-product company and aspire to be an Indian Multinational Company (MNC) in Highway Operations & Maintenance (O&M). We have, since 2002, executed over 90+ Highway Operations & Maintenance (O&M) projects. As on date of this Prospectus we have projects for Major Maintenance & Repairs of around 285.71 km of National Highways in the state of West Bengal, Maharashtra and Rajasthan. We have projects for Toll Operations, Routine Maintenance, Route Patrolling services, of managing around 943.31 km of National Highways and diversified in the state of Rajasthan, Uttar Pradesh, Maharashtra, Jharkhand, Bihar, Tamil Nadu, West Bengal and Andhra Pradesh. As of July 31, 2021 our Company has an Order Book of ₹ 27,607 Lakh. “Risk Factors no 4. Our Order Book may not be representative of our future results and our actual income may be significantly less than the estimates reflected in our Order Book, which could adversely affect our results of operations.”

### C. OUR PROMOTERS

As on date of filing of Prospectus our company is promoted by Mr. Sanjay Bhanudas Patil and Mr. Karan Atul Bora.

### D. DETAILS OF THE ISSUE

<b>Equity Shares Offered</b> <sup>(1)</sup> Present Issue of Equity Shares by our Company <sup>(2)</sup>	Fresh Issue of 51,28,000 Equity Shares of ₹10.00 each for cash at a price of ₹ 78.00 per Equity Share (including premium of ₹ 68.00 per Equity Share) aggregating to ₹3,999.84 Lakh
<b>Out of which:</b>	
<b>Market Maker Reservation Portion</b>	2,57,600 Equity Shares of ₹10.00 each fully paid-up of our Company for cash at a price of ₹ 78.00 per Equity Share (including premium of ₹ 68.00 per Equity Share) aggregating to ₹ 200.93 Lakh
<b>Net Issue to the Public</b>	48,70,400 Equity Shares of ₹10.00 each for cash at a price of ₹ 78.00 per Equity Share (including premium of ₹ 68.00 per Equity Share) aggregating to ₹ 3,798.91 Lakh

### E. Object of the Issue

The Net Proceeds of the Issue are proposed to be used in accordance with the details provided in the following table:

(₹ in Lakh)

Particulars	Amount*
Prepayment/Repayment of long-term debts availed by our company	380.00
Working Capital Requirements	2,319.84
General Corporate Purpose	900.00
<b>Total</b>	<b>3,599.84</b>

### F. PRE - ISSUE SHAREHOLDING OF OUR PROMOTERS AND PROMOTER GROUP AS A PERCENTAGE OF THE PAID-UP SHARE CAPITAL OF THE COMPANY

Category of Promoter	Pre – Issue	
	No. of Shares	As a % of paid-up Equity Capital
1. Promoters	68,19,040	48.78
2. Promoter Group	71,60,480	51.22

### G. SUMMARY OF RESTATED FINANCIAL INFORMATION

(₹ in Lakh)

Particulars	For the year ended March 31,		
	2021	2020	2019
Share Capital	87.37	87.37	87.37
Reserves and surplus	2,347.85	1,920.26	1,201.64
Net Worth	2,435.22	2,007.63	1,289.01
Total Income	15,796.52	17,154.49	7,348.54
Profit after Tax	427.59	718.62	251.51



Particulars	For the year ended March 31,		
	2021	2020	2019
Total Borrowings	3,552.78	3,723.55	3,753.82
<b>Other Financial Information</b>			
Basic & Diluted EPS (₹) (After Split & Post Bonus)	3.06	5.14	1.80
Return on Net worth (%)	17.56	35.79	19.51
Net Asset Value Per Share (₹)(After Split & Post Bonus)	17.42	14.36	9.22

## H. QUALIFICATION OF THE AUDITORS

The Auditor report of Restated Financial Statements of our Company, for the Financial Year ended on March 31, 2021, 2020, and 2019 does not contain any qualification which have not been given effect to in Restated Financial Statements.

## I. SUMMARY OF OUTSTANDING LITIGATION ARE AS FOLLOWS

(₹ in Lakh)		
Nature of case	Number of cases	Amount Involved*
Company		
Direct Tax		
E-Proceedings	3	Unascertained
Outstanding Demand	3	27.15
TDS	2	4.84
Indirect Tax	Nil	Nil
Cases filed by our Company		
Other Matter based on the Materiality Policy	3	1,537.80
Promoters		
Direct Tax		
E-Proceedings	Nil	Nil
Outstanding Demand	Nil	Nil
TDS	NA	NA
Indirect Tax	Nil	Nil
Directors #		
Direct Tax		
E-Proceeding	1	Unascertained
Outstanding Demand	1	0.003
TDS	NA	NA
Indirect Tax	Nil	Nil
Group Companies		
Direct Tax		
E-Proceeding	7	Unascertained
Outstanding Demand	3	170.29
TDS	3	6.09
Indirect Tax	Nil	Nil

\*To the extent quantifiable excluding interest and penalty thereon

# Directors excluding Promoters

For the details of litigation proceedings, please refer the chapter titled “*Outstanding Litigations and Material Developments*” on page 182 of this Prospectus.

## J. RISK FACTORS

Investors should read chapter titled “*Risk Factors*” beginning on page 21 of this Prospectus.

## K. SUMMARY OF CONTINGENT LIABILITIES

The following is a summary table of our contingent liabilities as:

(₹ in Lakh)

Sr. No.	Particulars	Amount (in ₹)
1.	Income Tax demands / Notices before CIT Appeals / TDS	28.01
2.	Bank Guarantees / Corporate Guarantees	626.04

For further information, please see “*Financial Information*” beginning on page 158 of this Prospectus.

## L. SUMMARY OF RELATED PARTY TRANSACTIONS

Our Company has entered into certain transactions with our related parties including our Promoters, Promoter Group, Directors and their relatives as mentioned below:

(₹ in Lakh)

Particulars	For the year ended March 31,		
	2021	2020	2019
Remuneration	80.00	51.00	51.00
Loan Taken	7,795.48	3,420.47	2,099.28
Amount repaid / Loan given	7,921.99	3,640.99	1,759.50
Interest on Loan Receivable	73.67	119.79	83.01
Consultancy Fees Payable	14.71	150.88	5.67
<b>Total</b>	<b>15,885.86</b>	<b>7,383.13</b>	<b>3,998.46</b>

For details of the Related Party Transactions as reported in the Restated Financials, please refer “*Financial Statements as restated – Annexure XXXII – Related Party Transactions*” on page no. 158 of this Prospectus.

## M. FINANCING ARRANGEMENTS

There are no financing arrangements whereby our Promoters, members of Promoter Group, the Director 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 6 months immediately preceding the date of filing of this Prospectus.

## N. WEIGHTED AVERAGE PRICE OF THE EQUITY SHARES ACQUIRED BY OUR PROMOTERS IN THE LAST ONE YEAR PRECEDING THE DATE OF THIS PROSPECTUS

The weighted average price of Equity Shares acquired by our Promoters in the last one year preceding the date of this Prospectus is as below:

Name of the Promoters	Weighted Average Price (₹)
Mr. Sanjay Bhanudas Patil	NIL
Mr. Karan Atul Bora	NIL

*Note: Since the bonus allotment did not involve any consideration, the weighted average price of such Equity Shares is “Nil”*

## O. AVERAGE COST OF ACQUISITION

The average cost of acquisition per Equity Share to our Promoters as at the date of this Prospectus is:

Name of the Promoters	Average Cost of Acquisition (₹)
Mr. Sanjay Bhanudas Patil	0.57
Mr. Karan Atul Bora	0.63

## P. PRE-IPO PLACEMENT DETAILS

Our Company has not proposed any Pre-IPO Placement in this Issue.

## Q. ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE YEAR

Other than as disclosed in “*Capital Structure*” on page 52 of this Prospectus, no Equity Shares have been issued by our Company for consideration other than cash as on the date of this Prospectus.

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

Other than as disclosed in “*Capital Structure*” on page 52 of this Prospectus, our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this 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 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 Issue 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.***

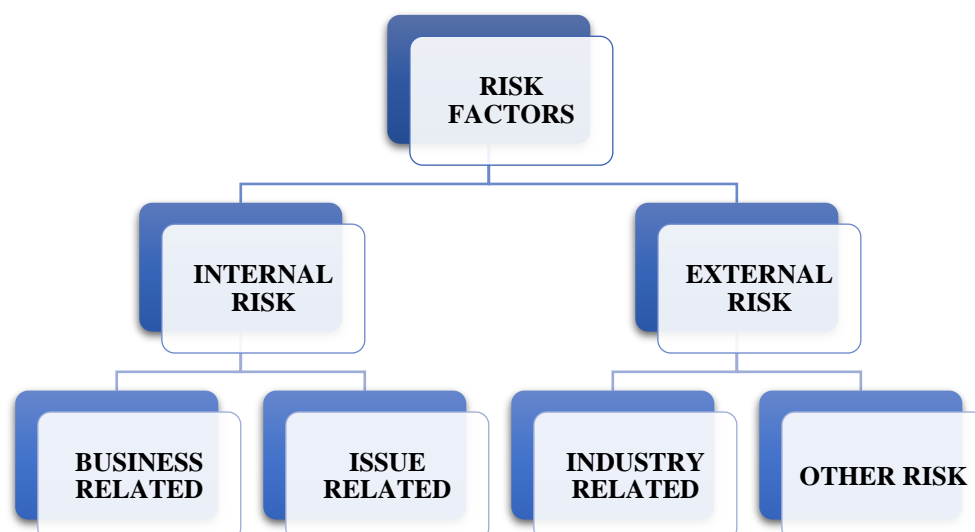
Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this section is derived from our restated financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR Regulations. To obtain a better understanding, you should read this section in conjunction with the chapters titled “***Our Business***” beginning on page 94 “***Our Industry***” beginning on page 78 and “***Management’s Discussion and Analysis of Financial Condition and Results of Operations***” beginning on page 159 respectively, of this Prospectus as well as other financial information contained herein.

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

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

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence the same has not been disclosed in such risk factors. Unless otherwise stated, the financial information of the Company used in this section is derived from our financial statements under Indian GAAP, as restated in this Prospectus. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. For capitalized terms used but not defined in this chapter, refer to the chapter titled “***Definitions and Abbreviations***” beginning on page 1 of this Prospectus. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

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



**INTERNAL RISKS****A. BUSINESS RELATED RISKS****1. There are outstanding legal proceedings involving our Company, Promoters, Directors and Group Companies. Any adverse decision in such proceeding may have a material adverse effect on our business, results of operations and financial condition.**

We are involved in certain legal proceedings which are pending at different levels of adjudication before various courts, tribunals, enquiry officers, and appellate authorities. We cannot provide assurance that these legal proceedings will be decided in our favour. Any adverse decisions in any of the proceedings may have a significant adverse effect on our business, results of operations, cash flows and financial condition. A summary of the pending civil and other proceedings involving Our Company is provided below:

A classification of legal proceedings is mentioned below:

(₹ in Lakh)

Nature of case	Number of cases	Amount Involved*
<b>Company</b>		
<b>Direct Tax</b>		
E-Proceedings	3	Unascertained
Outstanding Demand	3	27.15
TDS	2	4.84
<b>Indirect Tax</b>		
	Nil	Nil
<b>Cases filed by our Company</b>		
Other Matter based on the Materiality Policy	3	1,537.80
<b>Promoters</b>		
<b>Direct Tax</b>		
E-Proceedings	Nil	Nil
Outstanding Demand	Nil	Nil
TDS	NA	NA
Indirect Tax	Nil	Nil
<b>Directors #</b>		
<b>Direct Tax</b>		
E-Proceeding	1	Unascertained
Outstanding Demand	1	0.003
TDS	NA	NA
Indirect Tax	Nil	Nil
<b>Group Companies</b>		
<b>Direct Tax</b>		
E-Proceeding	7	Unascertained
Outstanding Demand	3	170.29
TDS	3	6.09
Indirect Tax	Nil	Nil

\*To the extent quantifiable excluding interest and penalty thereon

# Directors excluding Promoters

**2. Our business and our financial condition would be materially and adversely affected if we fail to obtain new contracts.**

We are a Highway Operations & Maintenance (O&M) Service providing company. We thrive to make Highway Operations & Maintenance possible cost effective and easier with the help of Innovation, Technology & out-of-the-box solutions. Our revenue constitutes two segment, major maintenance and repairs & Highway operations which was added to our portfolio Two years back. Highway operations business constituted 0%, 11.61% & 19.65% of our total revenue for the financial year ended on March 31, 2019, March 31, 2020, and March 31, 2021 respectively. Our major revenue comes from major maintenance and repairs. As part of our business, we bid for projects on an ongoing basis. Our revenue from execution of projects in major maintenance and repairs segment constituted approximately 100.00%, 88.39%, 80.35%, of our total revenue for the financial year ended on March 31, 2019, March 31, 2020, and March 31, 2021 respectively. Infrastructure projects are typically awarded to us following a competitive bidding process and satisfaction of prescribed pre-qualification criteria. While service, quality, health and safety, records and personnel, as well as reputation, experience and sufficiency of financial resources are important considerations in final bid decisions. There can be no assurance that we would always be able to meet such financial and technical qualification criteria, whether independently or together with other joint venture partners. Further, once the prospective bidders satisfy the pre-qualification requirements of the tender, the project is usually awarded



on the basis of price competitiveness of the bid. We cannot assure you that we would bid where we have been pre-qualified to submit a bid or that our bids, when submitted or if already submitted, would be accepted. We may also not be able to secure bids due to negligence or disqualification of our joint venture partners in cases of bids in a consortium as these factors are beyond our control. The growth of our business mainly depends on our ability to obtain new contracts in the sectors in which we operate. Generally, it is very difficult to predict whether and when we will be awarded a new contract. Our future results of operations and cash flows can fluctuate materially from period to period depending on the timely award of contracts, commencement of work and completion of projects in the scheduled time period. If we are unable to obtain new contracts for our business, our business will be materially and adversely affected.

**3. *Delays in the completion of current and future projects could lead to termination of contracts or cost overruns or claims for damages, which could have an adverse effect on our cash flows, business, results of operations and financial condition.***

We provide our clients with performance guarantees for completion of the construction of our projects within a specified time frame. Subject to certain customary exceptions such as (i) occurrence and continuance of force majeure events that are not within our control, or (ii) delays that are caused due to reasons solely attributable to our client, failure to adhere to contractually agreed timelines or extended timelines could require us to pay liquidated damages as stipulated in the project contract. Such liquidated damages are often specified as a fixed percentage of the contract price and our clients are entitled to deduct the amount of damages from the payments due to us. The client may also be entitled to terminate the contract in the event of delay in completion of the work if the delay is not on account of any of the agreed exceptions. With respect to some of our projects, in the event of termination for any of the aforesaid reasons, we may only receive partial payments under such agreements and such payments may be less than our estimated cash flows from such projects. Further, we may not be able to obtain extensions for projects on which we face delays or time overruns. In addition to the risk of termination by the client, delays in completion of development may result in cost overruns, lower or no returns on capital and reduced revenue for the client thus impacting the project's performance, as well as failure to meet scheduled debt service payment dates and increased interest costs from our financing agreements for the projects. The scheduled completion targets for our projects are estimates and are subject to delays as a result of, among other things, unforeseen engineering problems, force majeure events, issues arising out of right of way, unavailability of financing, unanticipated cost increases or adverse climatic conditions. We cannot assure you that such delays will not occur in the future. Such delays could jeopardize our reputation and our relationship with our existing clients and have adverse effects on our cash flows, business, results of operations and financial condition.

**4. *We may not be able to realise the amounts, partly or at all, reflected in our Order Book which may materially and adversely affect our business, prospects, reputation, profitability, financial condition and results of operation.***

As of July 31, 2021, our Company's Order Book was ₹27,607 Lakh. Future earnings related to the performance of projects in the order book may not be realized and although the projects in the order book represent business that is considered firm, cancellations or scope or schedule adjustments may occur. We may also encounter problems executing the project as ordered or executing it on a timely basis. Moreover, factors beyond our control or the control of our clients may postpone a project or cause its cancellation, including delays or failure to obtain necessary permits, authorizations, permissions, right-of-way, and other types of difficulties or obstructions. Due to the possibility of cancellations or changes in scope and schedule of projects, resulting from our clients' discretion or problems we encounter in project execution or reasons outside our control or the control of our clients, we cannot predict with certainty when, if or to what extent a project forming part of our order book will be performed. Delays in the completion of a project can lead to clients delaying or refusing to pay the amount, in part or full, that we expect to be paid in respect of such project. Even relatively short delays or difficulties in the execution of a project could result in our failure to receive, on a timely basis or at all, all payments due to us on a project.

**5. *Our business involves usage of manpower and any unavailability of our employees or shortage of contract labour or any strikes, work stoppages, increased wage demands by workmen or changes in regulations governing contractual labour may have an adverse impact on our cash flows and results of operations.***

Our business involves usage of manpower and we are dependent on the availability of our permanent employees and the supply of a sufficient pool of contract labourers at our project locations. Unavailability or shortage of such a pool of workmen or any strikes, work stoppages, increased wage demands by workmen or changes in regulations governing contractual labour may have an adverse impact on our cash flows and results of operations. The number of contract labourers employed by us varies from time to time based on the nature and extent of work contracted to us and the availability of contract labour. We may not be able to secure the required number of contractual labourers required for the timely execution of our projects for a variety of reasons including, but not limited to, possibility of disputes with sub-contractors, strikes, less competitive rates to our sub-contractors as compared to our competitors or changes in labour regulations that may limit availability of contractual labour. We are subject to laws and regulations relating to employee welfare and benefits such as minimum wage, working conditions, employee insurance, and other such employee benefits and any changes to existing labour legislations, including upward revision of wages required by such state governments to be paid to such contract labourers, limitations on

the number of hours of work or provision of improved facilities, such as food or safety equipment, may adversely affect our business and results of our operations.

Further, there can be no assurance that disruptions in our business will not be experienced if there are strikes, work stoppages, disputes or other problems with sub-contractors or contract labourers deployed at our projects. This may adversely affect our business and cash flows and results of operations.

**6. *Our business is capital intensive. If we experience insufficient cash flows to meet required payments on our debt and working capital requirements, there may be an adverse effect on our operations.***

Our business requires a significant amount of working capital which is based on certain assumptions, and therefore, any change of such assumptions would result in changes to our working capital requirements. In many contracts, significant amounts of working capital are required to finance the purchase or manufacturing of materials, mobilization of resources and other work on projects before payment is received from clients. Our working capital requirements may increase due to an increase in the size of our operations and the number and size of projects that are required to be executed within a similar timeframe. Since the contracts we bid typically involve a lengthy and complex bidding and selection process which is affected by a number of factors, it is generally difficult to predict whether or when a particular contract we have bid for will be awarded to us and the time period within which we will be required to mobilize our resources for the execution of such contract. In addition, we may need to incur additional indebtedness in the future to satisfy our working capital requirements.

Our capital expenditure requirements and growth strategy thus require continued access to significant amounts of capital on acceptable terms. We cannot assure you that market conditions and other factors will permit future project and acquisition financings, debt or equity, on terms acceptable to us. Our ability to arrange financing and the costs of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from financial institutions, the amount and terms of our existing indebtedness, investor confidence, the continued success of current projects and laws that are conducive to our raising capital in this manner.

**7. *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.***

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 this 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 “Statement of Financial Indebtedness” on page 175 of the Prospectus. Further, as on the date of this Prospectus, we have not received “No Objection Certificate” from Banks like Rattan India Finance Private Limited, RBL Bank Limited, HDFC Bank Limited & Moneywise Financial Services Private Limited. 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. Also, few are lenders has such as RBL & Rattan India does not Issue Loan to Public Companies as per their internal policies. Our companies have taken Loans from such lenders when our companies were private company, so after being converted into public company it makes our company ineligible to take any further financing arrangements.

**8. *Our business is subject to seasonal and other fluctuations that may affect our cash flows and business operations.***

Our business and operations may be affected by seasonal factors which may restrict our ability to carry on activities related to our projects and fully utilize our resources. Heavy or sustained rainfalls or other extreme weather conditions such as cyclones could result in delays or disruptions to our operations during the critical periods of our projects and cause severe damages to our premises and equipment. This may result in delays in execution of projects and also reduce our productivity. During periods of curtailed activity due to adverse weather conditions, we may continue to incur operating expenses and our project related activities may be delayed or reduced. Adverse seasonal developments may also require the evacuation of personnel, suspension or curtailment of operations, resulting in damage to construction sites or delays in the delivery of materials.

**9. *The continuing effect of the COVID-19 pandemic on our business and operations is highly uncertain and cannot be predicted.***

The continuing effect of the COVID-19 pandemic on our business and operations is highly uncertain and cannot be predicted. In late calendar 2019, COVID-19, commonly known as “novel coronavirus” was first reported in Wuhan, China. Since then, the virus has progressively spread globally too many countries. The World Health Organization declared the COVID-19 outbreak as a health emergency of international concern on January 30, 2020 and thereafter categorised the outbreak as a pandemic on March 11, 2020. In order to contain the spread of COVID-19 virus, the Government of India initially announced a 21-day lockdown on March 24, 2020, which, after being subject to successive extensions, is being relaxed currently. During the duration of the lockdown, there were several restrictions in place including travel restrictions and directive to all citizens to not move out of their respective houses unless essential. Whilst the lockdown required private, commercial and industrial establishments to remain closed, subsequently manufacturing units of essential commodities were permitted to be functional. The team members have been working from home during lockdown and have been able to execute their responsibilities and service clients without any disruption, difficulty or delay. Due to the rising number of infected cases of COVID-19 in the country, there is no certainty if additional restrictions will be put back in place or if another lockdown would be re-imposed to control the spread of the pandemic. We cannot assure you that we may not face any difficulty in our operations due to such restrictions and such a prolonged instance of lockdown may adversely affect our business, financial condition and results of operations. Further, our ability to ensure the safety of our workforce and continuity of operations while confirming with measures implemented by the central and state governments in relation to the health and safety of our employees may result in increased costs. In the event a member or members of our senior management team contract COVID-19, it may potentially affect our operations. Further, in the event any of our employees contract COVID-19, we may be required to quarantine our employees and shut down a part of or the entire operating facility as necessary. Risks arising on account of COVID-19 can also threaten the safe operation of our facility, loss of life, injuries and impact the wellbeing of our employees. The ultimate impact will depend on a number of factors, many of which are outside our control. These factors include the duration, severity and scope of the pandemic, the impact of the pandemic on economic activity in India and globally, the eventual level of infections in India, and the impact of any actions taken by governmental bodies or health organisations (whether mandatory or advisory) to combat the spread of the virus. These risks could have an adverse effect on our business, results of operations, cash flows and financial condition. To the extent that the COVID19 pandemic adversely affects our business and operations, it may also have the effect of heightening many of the other risks described in this “Risk Factors” section.

**10. *We require a number of approvals, NOCs, licenses, registrations and permits in the ordinary course of our business. Some of the approvals are required to be transferred in the name of Markolines Traffic Controls Limited from Markolines Traffic Controls Private Limited pursuant to name change of our company and any failure or delay in obtaining the same in a timely manner may adversely affect our operations.***

We require several statutory and regulatory permits, licenses and approvals to operate our business. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Non-obtaining or non-renewal of the said permits and licenses would adversely affect our Company’s operations, thereby having a material adverse effect on our business, results of operations and financial condition. For example, we have applied or yet to apply for Professional Tax Registration, Shops and Establishment and Trademarks for our various offices. Further we require to keep already obtained valid key approvals such as Tax Registrations, Shops and Establishment Act License, IEC Code, for running our operations in a smooth manner. There can be no assurance that the relevant authorities will issue any of such permits or approvals in the time-frame anticipated by us or at all. Further, some of our permits, licenses and approvals are subject to several conditions and we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of relevant permits, licenses or approvals. Any failure by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension or revocation of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business. For further details, please see chapters titled “*Key Industry Regulations and Policies*” and “*Government and Other Statutory Approvals*” at pages 115 and 187 respectively of this Prospectus.

**11. *There are certain discrepancies/errors noticed in some of our corporate records relating to forms filed with the Registrar of Companies and other provisions of Companies Act, 1956/2013. Any penalty or action taken by any regulatory authorities in future for non-compliance with provisions of corporate and other law could impact the financial position of the Company to that extent.***

Our company has not complied with certain statutory provisions in the past including but not limited to the following:

- Provisions of SS-1 and SS-2 of the Companies Act, 2013 were not fully complied by the company at the time of preparation of the documents for filling of forms.
- Provisions of Section 12 of the Companies Act, 2013

- Some attachment which was to be attached in the forms filed are not attached by the Company
- Supporting documents attached in some of the Forms are not signed and stamped by the requisite authority
- Mr. Karan Atul Bora was appointed as Additional Director of the Company April 01, 2020 and the Form for Regularisation of his appointment was filed on August 20, 2021.

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

***12. Some of our Corporate records including forms filed with Registrar of Companies are not traceable.***

Our Company was incorporated as a private limited company in the year 2002 under the provisions of the Companies Act, 1956. Online filing of RoC documents was initiated in the year 2006 and all forms prior to the said year were physically filed. The Company is unable to trace Form 2 (Return of Allotment) made during the year 2007-08 and Form 18 (Change in Registered Office) for change in Registered Office of the Company from Plot No. 396/ 1|8, Anandvan Colony, Opp. Cattle Market, Karad- 415110, Satara District, Maharashtra, India to Flat No. 4A, Ganga Park, B wing, Pingle Vasti, Pune- 411036, Maharashtra, India. Also, certain forms could not be retrieved from the office of Registrar of Companies, Pune. Further the Company could not retrieve some forms and some of the related documents including but not limited to Registration of charges and modification of charges, etc. Our Company cannot assure you that the filings were made in a timely manner or the information gathered through other available documents of the Company are correct. Our Company may not be in a position to attend and / or respond appropriately to any legal or business matter due to lack of lost / destroyed records and to that extent the same could affect our Company adversely in future.

***13. Our Company has granted unsecured loan to related party covered in the register maintained under Section 189 of the Companies Act.***

Our Company has granted unsecured loan to related parties covered in the register maintained under Section 189 of the Companies Act, 2013. As per relevant section of companies act 2013, our company had granted loan to its related party without taking prior approval of shareholder in general meeting. As on date of this Prospectus, our company have filed applications for compounding before the Registrar of Companies, Mumbai, Maharashtra, in relation to these non-compliances. There can be no assurance that the Registrar of Companies, Mumbai, Maharashtra, or any other statutory authority will not take an adverse view and impose penalties on our Company in this regard.

***14. The company has conducted its annual general meeting for the financial year 2018-2019 after its due timeline.***

As per section 96 of Companies Act 2013, every company shall in each year hold in addition to any other meetings, a general meeting as its annual general meeting, such annual general meeting shall be within a period of six months, from the date of closing of the financial year. In the financial year 2018-2019, the company conducted its annual general meeting on 30.10.2019. It was supposed to convene it on or before 30.09.2019 with the delay of 30 days. The said default under section 96 of Companies Act, 2013. As on date of this Prospectus, our company have filed applications for compounding before the Registrar of Companies, Mumbai, Maharashtra, in relation to these non-compliances. There can be no assurance that the Registrar of Companies, Mumbai, Maharashtra, or any other statutory authority will not take an adverse view and impose penalties on our Company in this regard.

***15. Our Company has erroneously filed e-form CHG-1 for Creation of Charge instead of filing e-form CHG-1 for Modification of Charge.***

Our Company had availed an incremental loan from State Bank of Hyderabad amounting to Rs. 1,200 Lakh. Our Company was supposed file e-form CHG-1 for Modification of Charge instead filed e-form CHG-1 for Creation of Charge. During the time of Satisfaction of Charge, the Company may be unable to satisfy both the charges. The additional charge created may not be satisfied. Any penalty or action taken by any regulatory authority in future for non-compliance with provisions of corporate and other law could impact financial position of the company to that extent.

***16. Our Company has not utilized the CSR Amount for the financial year 2019-20***

The Company has neither utilized the CSR Amount in the financial year 2019-20 nor deposited the CSR amount of Rs. 12.85 Lakh for the F.Y. 2019-20 within the specified time period i.e. within September 30, 2020 as per Section 135 of the Companies Act, 2013. Further the CSR amount for the F.Y. 2020-21 of Rs. 14.42 Lakh not yet been deposited in a separate bank account till the date of signing of the financial statement however as per management representation the due amount for F.Y.(s) 2019-20 and 2020-21 will be deposited within September 30, 2021 i.e. the due date for the F.Y. 2020-21.



***17. General economic and market conditions in India and globally could have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.***

Our business is highly dependent on economic and market conditions in India and other jurisdictions where we operate. General economic and political conditions in India, such as macroeconomic and monetary policies, industry-specific trends, mergers and acquisitions activity, legislation and regulations relating to the financial and securities industries, household savings rate, investment in alternative financial instruments, upward and downward trends in the market, business and financial sectors, volatility in security prices, perceived lack of attractiveness of the Indian capital markets, inflation, foreign direct investment, consumer confidence, currency and interest rate fluctuations, availability of short-term and long-term market funding sources and cost of funding, could affect our business. Global economic and political conditions may also adversely affect the Indian economic conditions. Market conditions may change rapidly and the Indian capital markets have experienced significant volatility in the past. The Indian economy has had sustained periods of high inflation in the recent past. If inflation or real interest rates were to rise significantly, the trends towards increased financial savings might slow down or reverse, our employee costs may increase and the sales of many of our products and services may decline.

***18. If we are unable to respond to the demands of our existing and new clients, or adapt to technological changes or advances, our business and growth could be adversely affected.***

Our industry is characterized by increasingly complex and integrated infrastructure and services, new and changing business models and rapid technological and regulatory changes. Our clients' needs and demands for our services evolve with these changes. Our future success will depend, in part, on our ability to respond to our clients' demands for new services, capabilities and technologies on a timely and cost-effective basis. We also need to adapt to technological advancements and keep pace with changing regulatory standards to address our clients' increasingly sophisticated requirements. Transitioning to these new technologies may be disruptive to our resources and the services we provide and may increase our reliance on third-party service providers. If we fail to adapt or keep pace with new technologies in a timely manner, provide customers with better services and user experience, or retain and attract skilled technology staff, it could harm our ability to compete, decrease the value of our services to our clients, and adversely affect our business and future growth.

***19. Major fraud, lapses of internal control or system failures could adversely impact the company's business.***

Our Company is vulnerable to risk arising from the failure of employees to adhere to approved procedures, system controls, fraud, system failures, information system disruptions, communication systems failure and interception during transmission through external communication channels or networks. Failure to protect fraud or breach in security may adversely affect our Company's operations and financial performance. Our reputation could also be adversely affected by significant fraud committed by our employees, agents, customers or third parties.

***20. We continue to explore the diversification of our business and the implementation of new services. These diversifications and our other strategic initiatives may not be successful, which may adversely affect our business and results of operations.***

In order to achieve our goal, we are constantly evaluating the possibilities of expanding our business through new models, innovations and/or starting new services. Although we believe that there are synergies between our current business and our expansion plans, we do have experience or expertise in these new areas. These new businesses and modes of delivery and the implementation of our strategic initiatives may pose significant challenges to our administrative, financial and operational resources, and additional risks, including some of which we are not aware of. The early stages and evolving nature of some of our businesses also make it difficult to predict competition and consumer demand therein. Our strategic initiatives require capital and other resources, as well as management attention, which could place a burden on our resources and abilities. In addition, we cannot assure you that we will be successful in implementing any or all of our key strategic initiatives. If we are unable to successfully implement some or all of our key strategic initiatives in an effective and timely manner, or at all, our ability to maintain and improve our leading market position may be negatively impacted, which may have an adverse effect on our business and prospects, competitiveness, market position, brand name, financial condition and results of operations.

***21. We face intense competition in our businesses, which may limit our growth and prospects. Our Company faces significant competition from other companies in Highway O & M Industry.***

We compete on the basis of a number of factors, including execution, depth of product and service offerings, innovation, reputation and price. Our competitors may have advantages over us, including, but not limited to:

- Substantially greater financial resources;
- Longer operating history than in certain of our businesses;

- Greater brand recognition among consumers;
- Larger customer bases in and outside India; or
- More diversified operations which allow profits from certain operations to support others with lower profitability. These competitive pressures may affect our business, and our growth will largely depend on our ability to respond in an effective and timely manner to these competitive pressures.

**22. All our trademarks are our material assets and are crucial to our business operations.**



As on the date of this Prospectus, we have not obtained registration for our new corporate logo as the same is applied for and the current status of the same is Formalities Check Pass and hence, we do not enjoy the statutory protection accorded to a registered trademark. We have made application for the same under Class 35 and 37, there can be no assurance that our application will succeed. Grounds for refusal of registration may include the validity or scope of the application. If we are unable to obtain a registration, we may still continue to use the corporate logo but remain vulnerable to infringement and passing-off by third parties and will not be able to enforce any rights against them. We may also need to change our corporate logo which may adversely affect our reputation and business and could require us to incur additional costs. Further, we also have to be very cautious in ensuring that our trade secrets do not fall in the hands of our competitors or any third party who could give access of such information to our competitors. In the event, any of our employees, during or after their association with our Company, disclose the crucial information regarding our intellectual property, trade secrets and other methods to our competitors, directly or indirectly, our Company may resort to litigations or other proceedings to enforce, protect or determine the validity and scope of our intellectual property rights and to defend against third party infringements, which may be expensive and resource-consuming and may also create uncertainty regarding the ownership of such rights. Although, we believe that our present systems are adequate to protect our confidential information and intellectual property, there can be no assurance that our intellectual property data, trade secrets or proprietary technology will not be copied, infringed or obtained by third parties. Further, our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. This may lead to litigations and any such litigations could be time consuming and costly and their outcome cannot be guaranteed. Our Company may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property, which may adversely affect our business, financial condition and results of operations. For further details pertaining to our intellectual property, please refer to the chapter titled “Our Business” beginning on page no 94 of this Prospectus.

**23. Our inability to manage growth could disrupt our business and reduce our profitability. We propose to expand our business activities in coming financial years.**

We expect our future growth to place significant demands on both our management and our resources. This will require us to continuously evolve and improve our operational, financial and internal controls across the organisation. In particular, continued expansion increases the challenges we face in:

- Our ability to acquire and retain clients for our services;
- Services, products or pricing policies introduced by our competitors;
- Capital expenditure and other costs relating to our operations;
- The timing and nature of, and expenses incurred in, our marketing efforts;
- Recruiting, training and retaining sufficient skilled technical and management personnel;
- Adhering to our high quality and process execution standards;
- Maintaining high levels of customer satisfaction;
- Developing and improving our internal administrative infrastructure, particularly our financial, operational, communications, and other internal systems.

You should not rely on yearly comparisons of our results of operations as indicators of future performance. It is possible that in some future periods our results of operations may be below the expectations of public, market analysts and investors. If we are unable to manage our growth it could have an adverse effect on our business, results of operations and financial condition.



**24. Our funding requirements and the deployment of Net Proceeds are based on management estimates and have not been independently appraised. Further, our management will have discretion in the application of the Net Proceeds, and there is no assurance that the Objects of the Issue will be achieved within the time frame expected or at all.**

We intend to use the Net Proceeds for the purposes described under “**Objects of the Issue**” on page 66 of this Prospectus. The Objects of the Issue include repayment/prepayment of certain loans amounting to ₹ 380.00 Lakh, funding of working Capital Requirements of our company amounting to ₹ 2,319.84 Lakh, and general corporate purposes amounting to ₹ 900.00 Lakh. Our funding requirements and the deployment of the Net Proceeds are based on management estimates for which we have relied on internal assumptions and such assumptions have not been appraised by any independent agency. The Net Proceeds may be used to repay/prepay such term and/or working capital loans. While we believe that utilization of Net Proceeds for repayment of loans would help us to reduce our cost of debt and enable the utilization of our internal accruals for further investment in business growth and expansion, the repayment of loans will not result in the creation of any tangible assets for our Company. Given the nature of our business and due to various uncertainties involved, we may be unable to utilize the Net Proceeds within the time frame or as per the schedule of deployment that we currently estimate. In the case of increase in actual expenses or shortfall in requisite funds, additional funds for a particular activity will be met by means available to us, including internal accruals and additional equity and/or debt arrangements.

**25. If we are unable to renew our existing leases or secure new leases for our existing or premises, or offices on commercially acceptable terms, or if we fail to comply with the terms and conditions of our leases resulting in termination of our leases, it could have a material adverse effect on our business, financial condition and results of operations.**

The registered office that we are currently operating from is on leased/licensed basis. We typically enter into lease agreements for a period of 5 year for our offices. For details on the duration of existing leases for our delivery centres, see “**Our Business**” on page 94. In the event that if we fail to comply with the terms and conditions of our lease or that these existing leases are terminated or they are not renewed on commercially acceptable terms, we may suffer a disruption in our operations. If alternative premises are not available at the same or similar costs, size or locations, our business, financial condition and results of operations may be adversely affected. In addition, any adverse development relating to the landlord's title or ownership rights to such properties may entail incurring significant legal expenses and adversely affect our operations, a significant interest penalty for any delays in payment of rent and fixed price escalation clauses that provide for a periodic increase in rent. If our sales do not increase in line with our rent and costs, our profitability and results of operations could be adversely affected.

**26. Our Company has a negative cash flow in its operating activities in the year 2019 and financing activities in the past 2 years and investing 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 our operating activities as well as investing activities in the previous year(s) as per the Restated Financial Statements and the same are summarized as under:

(₹ in Lakh)

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Net Cash from Operating Activities	903.05	677.87	(669.56)
Net Cash from Investing Activities	(155.65)	(37.42)	(667.37)
Net Cash from Financing Activities	(746.90)	(652.76)	1,335.86
Net Increase/ (Decrease) in Cash & Cash Equivalents	0.50	(12.29)	(1.07)

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.

**27. 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 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 is also 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.

***28. Brand recognition is important to the success of our business, and our inability to build and maintain our brand names will harm our business, financial condition and results of operation.***

Brand recognition is important to the success of our business. Establishing and maintaining our brand name in the industry or for people relying on services is critical to the success of the customer acquisition process of our business. Although, we expect to allocate significant amount of resources, financial and otherwise, on establishing and maintaining our brands, no assurance can be given that our brand names will be effective in attracting and growing user and client base for our businesses or that such efforts will be cost-effective, which may negatively affect our business, financial condition and results of operations.

***29. Significant disruptions in our information technology systems or breaches of data security could adversely affect our business and reputation.***

We may also face cyber threats such as: (i) Phishing and Trojans - targeting our customers, wherein fraudsters send unsolicited codes or mails to our customers seeking account sensitive information or to infect customer machines to search and attempt ex-filtration of account sensitive information; (ii) Hacking – wherein attackers seek to hack into our infrastructure with the primary intention of causing reputational damage to us by disrupting services; (iii) Data theft – This can be internal i.e. by someone who has access to data of our Company or external wherein unconnected cyber criminals may attempt to intrude into our network with the intention of stealing our data or information; and (iv) Advanced persistent threat – a network attack in which an unauthorized person gains access to our network and remains undetected for a long period of time. In the event of a significant decline in the demand for our products, our business, results of operations and financial condition may be materially and adversely affected.

Our systems are potentially vulnerable to data security breaches, whether by our employees, or our service providers or others that may expose sensitive data to unauthorized persons. We process and transfer data, including personal information, financial information and other confidential data provided to us by our clients. Although we maintain systems and procedures to prevent unauthorized access and other security breaches, it is possible that unauthorized individuals could improperly access our systems, or improperly obtain or disclose sensitive data that we process or handle. Data security breaches could lead to the loss of intellectual property or could lead to the public exposure of personal information (including sensitive financial and personal information) of our clients' investors or our employees. Any such security breaches or compromises of technology systems could result in institution of legal proceedings against us and potential imposition of penalties, which may have an adverse effect on our business and reputation.

***30. The nature of our business exposes us to liability claims and contract disputes and our indemnities may not adequately protect us. Any liability in excess of our reserves or indemnities could result in additional costs, which would reduce our profits.***

Time is often of the essence in our business work. In the event there are delays in our current or future service, we will not be able to get extensions from our customers. Further, in some contracts, in case of delay due to deficiency in services by us, clients may have the right to complete the work at our risk and cost by engaging a third party. In the event we fail to perform under the terms of a particular contract, that could adversely affect our financial conditions and business operations. Failure to effectively cover ourselves against any of these reasons could expose us to substantial costs and potentially lead to material losses. In addition, if there is a customer dispute regarding our performance or workmanship, the customer may delay or withhold payment to us.

***31. Employee fraud or misconduct could harm us by impairing our ability to attract and retain clients and subject us to significant legal liability and reputational harm.***

Our business is exposed to the risk of employee misappropriation, fraud or misconduct. Our employees could make improper use or disclose confidential information, which could result in regulatory sanctions and serious reputational or financial harm. While we strive to monitor, detect and prevent fraud or misappropriation by our employees, through various internal control measures, we may be unable to adequately prevent or deter such activities in all cases. Our dependence upon automated systems to record and process transactions may further increase the risk that technical system flaws or employee tampering or manipulation of those systems will result in losses that are difficult to detect. While we have not been able to identify such issues in the past, there could be instances of fraud and misconduct by our employees, which may go unnoticed for certain periods of time before corrective action is taken. In addition, we may be subject to regulatory or other proceedings, penalties or other actions in connection with any such unauthorized transaction, fraud or misappropriation by our agents or employees, which could adversely affect our goodwill, business prospects and future financial performance. We may also be required to make good any monetary loss to the affected party. Even when we identify instances of fraud and other misconduct and pursue legal recourse or file claims with our insurance carriers, we cannot assure you that we will recover any amounts lost through such fraud or other misconduct.

**32. The average cost of acquisition of Equity Shares by our Promoters is lower than the issue price.**

Our Promoters' average cost of acquisition of Equity Shares in our Company is lower than the Issue Price as decided by the Company in consultation with the Lead Manager. 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 52 of this Prospectus.

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

Our Company has entered into various transactions with our Promoter and associate companies. 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 favorable 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**" beginning on page 156 of the Prospectus.

**34. Our top 5 and top 10 customers contribute major portion of our revenues for the period March 31, 2021. Any loss of business from one or more of them may adversely affect our revenues and profitability.**

Our top five and top ten customers contribute to a substantial portion of our revenues for the year ended March 31, 2021. Any decline in our quality standards, growing competition and any change in the demand for our service by these customers may adversely affect our ability to retain them. 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, also any delay or default in payment by these customers may adversely affect our business, financial condition and results of operations. 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.

Due to COVID-19 pandemic, there may have been a temporary reduction in demand for our services and there may have been an overall slowdown in the industry. Further, such pandemic situations may also arise in the future and that could materially and adversely affect our business, financial condition and results of operations. Our growth has required and will continue to require increased investments in management personnel and systems, financial systems and controls, and office facilities. However, we cannot assure you that such investments will yield desired results and we may incur costs that we may not be able to recover. We may also be unable to hire additional qualified personnel to support the offering of a wider range of services. If we fail to manage our growth, we may experience operating inefficiencies, dissatisfaction among our client base, and lost revenue opportunities, which may adversely affect our business, results of operations and financial condition. The contribution of our top 5 and top 10 customers to our total revenue are as follows:

Particulars	Customers
Top 5 (%)	87%
Top 10 (%)	96%

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

Upon completion of the Issue, our Promoter and Promoter Group will own 73.16 % of the Post-Issue Equity Share capital of the Company. As a result, the Promoter and Promoter Group will have the ability to exercise significant influence over all matters requiring shareholders' approval, including the election of directors and approval of significant corporate transactions. The Promoter and Promoter Group will also have an effective veto power with respect to any shareholder action or approval requiring a majority vote. Such concentration of ownership may also have the effect of delaying, preventing or deterring a change in control. For further details of Promoter' shareholding, please refer chapter titled "**Capital Structure**" beginning on Page no. 52 of this Prospectus.

**36. We are dependent on a number of Key Managerial Personnel and our senior management, and the loss of, or our inability to attract or retain such persons could adversely affect our business, results of operations and financial condition.**

Our performance depends largely on the efforts, expertise and abilities of our Key Managerial Personnel, senior management, and our operational personnel who possess significant experience in the industry in which we operate. We believe that the inputs and experience of our KMP and senior management, in particular, and other key personnel are valuable for the development of our business, operations and the strategic directions taken by our Company. We cannot assure you that these individuals or any other member of our senior management team will not leave us or join a competitor or that we will be able to retain such personnel or find adequate replacements in a timely manner, or at all. We may require a long period of time to

hire and train replacement personnel when qualified personnel terminate their employment with our Company. Moreover, we may be required to substantially increase the number of our qualified personnel in connection with any future growth plans, and we may face difficulty in doing so due to the intense competition in the technology industry for such personnel. We may also be required to increase our levels of employee compensation more rapidly than in the past in order to remain competitive in retaining.

Further, the COVID -19 pandemic has dynamically altered the approach on workplace hygiene and safety and continuity of operations while confirming with measures implemented by the central and state governments in relation to the health and safety of our employees may result in increased costs. In the event a member or members of our senior management team contract COVID-19, it may potentially affect our operations. Further, in the event any of our employees' contract COVID-19, we may be required to quarantine our employees and shut down a part of or the entire operating facility as necessary. Risks arising on account of COVID-19 can also threaten the safe operation of our facility, loss of life, injuries and impact the well-being of our employees.

***37. Our operating expenses include overheads that may remain fixed in the medium term. In case there is any decline in our operating performance, we may be unable to reduce such expenses.***

Our operating expenses include various fixed costs, which are as such, not dependent on sales revenue. Any shortfall in sales may cause significant variations in operating results in any particular quarter, as we would not be able to reduce our fixed operating expenses in the short term. The effect of any decline in sales may thereby be magnified because a portion of our earnings are committed to paying these fixed costs. Accordingly, we believe that period-to-period comparisons of our results may not necessarily give a correct presentation of the performance and should not be relied upon as indications of future performance.

***38. Delays or defaults in payments from our clients could result into a constraint on our cash flows. The efficiency and growth of our business depends on timely payments received from our clients.***

In the event, our client's default or delay in making payments and clearing their dues, we may not have adequate resources to fund our business and implement our growth plans. This could have an adverse effect on the results of operations and our financial condition.

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

Our business processes require substantial amount of power facilities. We do not have arrangements for alternative/independent sources of power supply as of now. We are mainly dependent on local electricity service provider for meeting our electricity requirements, there may be factors beyond our control affecting the supply of power. Any power failure may lead to increased costs, thereby affecting the profitability.

***40. Our insurance coverage may not adequately protect us against losses, and successful claims against us that exceed our insurance coverage could harm our results of operations and diminish our financial position.***

We maintain insurance coverage of the type and in the amounts that we believe are commensurate with our operations. Our insurance policies, however, may not provide adequate coverage in certain circumstances and may be subject to certain deductibles, exclusions and limits on coverage. In addition, there are various types of risks and losses for which we do not maintain insurance, such as losses due to business interruption and natural disasters, because they are either uninsurable or because insurance is not available to us on acceptable terms. A successful assertion of one or more large claims against us that exceeds our available insurance coverage or results in changes in our insurance policies, including premium increases or the imposition of a larger deductible or co-insurance requirement, could adversely affect our business, future financial performance and results of operations.

***41. There are no alternate arrangements for meeting our requirements for 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, we have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. We meet our working capital requirements through our 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 working capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not yet 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 chapter titled "**Objects of the Issue**" on page 66 of this Prospectus.



**42. *There were instances where there was lost of documents during the journey from Pune to Mumbai on August 21, 2021. There may be such instances in future due to which there can be loss of data and such loss of data could result in negative impact on our company.***

Our CFO was travelling and was carrying documents relating to ROC, GST returns and some registers of our company and during his travel some of these documents got lost and misplaced, we had file a FIR for the loss of documents at CBD Belapur, Navi Mumbai but we could not track the lost documents. Any occurrence of such incident in future result in loss of information which may have an adverse effect on our business and reputation.

**43. *Guarantees from Promoter & Director as well as others have been taken in relation to the debt facilities provided to us.***

In an event any of the guarantors withdraws or terminates this guarantee, the lender for such facilities may ask for alternate guarantee/s, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantee/s 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 “*Statement of Financial Indebtedness*” beginning on page 175 of this Prospectus.

**44. *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. Additionally, under some of our loan agreements, we may not be permitted to declare any dividends, if there is a default under such loan agreements or unless our Company has paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof. Accordingly, realization of a gain on shareholder’s 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 157 of this Prospectus.

**45. *Any future acquisitions, joint ventures, partnerships, strategic alliances, tie-ups or investments could fail to achieve expected synergies and may disrupt our business and harm the results of operations and our financial condition.***

Our success will depend, in part, on our ability to expand our business in response to changing technologies, customer demands and competitive pressures. We have, in the past, explored and continue to explore opportunities on our own, through collaborations, tie-ups, strategic alliances, partnerships or joint venture across the country and regions of focus. In some circumstances, we may also decide to acquire, or invest in, complementary technologies instead of internal development. While we are currently evaluating opportunities and negotiating with several potential partners, we have not entered into any definitive agreements. The risks we face in connection with acquisitions may include integration of product and service offerings, co-ordination of R&D and marketing functions and the diversion of management’s time and focus from operating our business to addressing challenges pertaining to acquisition and integration. Our failure to address these risks or other problems encountered in connection with our acquisitions and investments could result in our failure to realize the anticipated benefits of these acquisitions or investments, cause us to incur unanticipated liabilities, and harm our business generally.

**46. *Our lenders have secured with a charge created on immovable property of company and personal guarantee of director and promoters.***

Our company has taken secured loans from financial institution by creating a charge over our movable and immovable properties in respect of loans/facilities availed by us. The total amount outstanding and payable by us for secured loans were Rs. 2,013.28 Lakh as on March 31, 2021. 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 our business, financial condition and results of operations. For further detail please refer to chapter titled “*Financial Statements as Restated*” beginning on page 158 and financial indebtedness in chapter titled “*Statement of Financial Indebtedness*” on page 175 of this Prospectus.

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

We may require additional capital from time to time depending on our business needs. Any fresh issue of shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions,

which may not be favorable to the then existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

***48. Underutilization of capacity of our facility may adversely affect our business, results of operations and financial conditions.***

We cannot assure that we shall be able to utilize our facility to their full capacity or up to an optimum capacity, and non-utilization of the same may lead to loss of profits or can result in losses, and may adversely affect our business, results of operations and financial condition. Even use of the proposed production capacity is subject to several variables like availability of raw material, power, water, proper working of machinery, orders on hand, supply/demand, manpower, etc.

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

There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain the consents necessary to take the actions we believe are necessary to operate and grow our business. Our level of existing debt and any new debt that we incur in the future has important consequences. Any failure to comply with these requirements or other conditions or covenants under our financing agreements that are not waived by our lenders or are 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. Though these covenants are restrictive to some extent to the Company however it ensures financial discipline, which would help the Company in the long run to improve its financial performance.

For further information, see the chapter titled “*Statement of Financial Indebtedness*” on page 175 of the Prospectus.

***50. Certain Agreements /deeds may be in the previous name of the company.***

Our certain agreements and deeds may be in the name of the erstwhile name of the company i.e., Markolines Traffic Controls Private Limited. In case we fail to change the name in the agreements and deeds, it may cause adverse effect on Our company’s business.

***51. Some of the KMPs is associated with our company for less than one year.***

Our Key Management Personnel, Company Secretary is associated with the Company for a period of less than one year therefore they may not have been accustomed to the company affairs till date. For details of Key Management Personnel and their appointment, please refer to chapter “*Our Management*” beginning on page 127 of this Prospectus.

***52. There is no guarantee that our Equity Shares will be listed on the Stock Exchanges in a timely manner or at all.***

In accordance with Indian law and practice, permission to list the Equity Shares will not be granted until after the Equity Shares have been issued and allotted. Approval will require all other relevant documents authorizing the issuing of our Equity Shares to be submitted. There could be a failure or delay in listing our Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

***53. Excessive reliance on our information technology systems and their failure could harm our relationship with customers, expose us to lawsuits or administrative sanctions or otherwise adversely affect our provision of service to customers and our internal operation.***

As part of our business strategy, we use high quality of information technology system to deliver our services in the best possible way. We have an exemplary track record for completion of the projects within the stipulated time period but there may be the system interruptions, errors, or downtime which could result from a variety of causes including changes in technology, technology failure, changes in system, and power failure etc. these may affect our business adversely.



***54. 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 ₹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 from this Issue, is hence, at the discretion of the management and the Board of Directors of Our Company and Our Company's management will have flexibility in applying the proceeds of the Issue and will not be subject to monitoring by any independent agency. The fund requirement and deployment mentioned in the Objects of the Issue is based on internal management estimates and have not been appraised by any bank or financial institution. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials. However, our Audit Committee will monitor the utilization of the proceeds of this Issue and prepare the statement for utilization of the proceeds of this Issue. Also, in accordance with Section 27 of the Companies Act, 2013, a company shall not vary the objects of the Issue without the Company being authorized to do so by our shareholders by way of special resolution and other compliances as applicable in this regard. Our Promoters and controlling shareholders 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.

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

We work in the market where trust of the customers on us and upon the services provided by us matters a lot. Any negative publicity regarding our company or the services rendered by the company due to any other unforeseen events may affect our reputation and image which leads to the adverse effect on our business and goodwill as well.

***56. Industry information included in this 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 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 parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Prospectus.

***57. 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:**

***58. There are restrictions on daily/weekly/monthly movements in the price of the Equity Shares, which may adversely affect a shareholders' ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.***

Once listed, we would be subject to circuit breakers imposed by all stock exchanges in India, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on circuit breakers is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges do not inform us of the percentage limit of the circuit breaker in effect

from time to time and may change it without our knowledge. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

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

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

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

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

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

The Equity Shares will be listed on the Stock Exchange. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. We cannot assure you that the Equity Shares will be credited to investor's demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in the Prospectus. Any failure or delay in obtaining the approval would restrict your ability to dispose of the Equity Shares. In accordance with section 40 of the Companies Act, 2013, in the event that the permission of listing the Equity Shares is denied by the stock exchanges, we are required to refund all monies collected to investors.

***61. The Issue price of our Equity Shares may not be indicative of the market price of our Equity shares after the issue.***

The Issue price of our equity Shares has been determined by fixed price method. This price is based on numerous factors 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 fluctuation 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. For further details you may refer chapter titled "***Basis for Issue Price***" beginning on the page 73 of this Prospectus.

Some of the factors which may affect our share price without limitations are as follows:

- Reports on research by analysts.
- Changes in revenue.
- Variations in growth rate of our financial indicators such as earning per share, income, profit etc.
- General Market Condition
- Domestic and International Economy.

**62. 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.

**EXTERNAL RISKS**

**Industry Related Risks:**

**63. 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.

**64. 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 us 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.

**Other Risks:**

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

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

In Finance Bill 2017, section 10(38) was amended to provide that exemption under this section for income arising on transfer of equity share acquired on or after 1st day of October 2004 shall be available only if the acquisition of share is chargeable to Securities Transactions Tax (STT) under Chapter VII of the Finance (No 2) Act, 2004. In case this provision becomes effective, sale shares acquired on or after 1st day of October 2004 on which STT was not charged will attract tax under provisions of Long-Term Capital Gains.

As per Finance Bill 2018, exemption under section 10(38) for income arising from long term gains on transfer of equity share shall not be available on or after 1st day of April 2018 if the long-term capital gains exceeds ₹ 1,00,000/- p.a. Such income arising from long term gains on transfer of equity share on or after 1st day of April 2018 in excess of ₹ 1,00,000/- pa. shall be chargeable at the rate of 10%. Capital gains arising from the sale of shares will be exempt from taxation in India in cases where an exemption is provided under a tax 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 the shares subject to relief available under the applicable tax treaty or under the laws of their own jurisdiction.

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

As stated in the reports of the Auditor included in this Prospectus under chapter “*Financial Statements as Restated*” beginning on page 158 the financial statements included in this Prospectus are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, and no attempt has been made to reconcile any of the information given in this Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in this Prospectus. Accordingly, the degree to which the financial information included in this Prospectus will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Prospectus should accordingly be limited.

**67. 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 Government of India 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.

**68. Financial instability in Indian Financial Markets could adversely affect our Company’s results of operation and financial condition.**

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

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

While facts and other statistics in this Prospectus relating to India, the Indian economy and our industry has been based on various government publications and reports from government agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled “*Our Industry*” beginning on page 78 of this Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

**70. 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 a magnitude, which may negatively affect our stock prices.

***71. 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.

***72. 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.

***73. 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.

***74. 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.



## SECTION IV: INTRODUCTION

### THE ISSUE

The following is the summary of the Issue:

<b>Equity Shares Offered</b> <sup>(1)</sup> Present Issue of Equity Shares by our Company <sup>(2)</sup>	Issue of 51,28,000 Equity Shares of ₹10.00 each for cash at a price of ₹ 78.00 per Equity Share (including premium of ₹ 68.00 per Equity Share) aggregating to ₹3,999.84 Lakh
<b>Out of which:</b>	
<b>Market Maker Reservation Portion</b>	2,57,600 Equity Shares of ₹10.00 each fully paid-up of our Company for cash at a price of ₹ 78.00 per Equity Share (including premium of ₹ 68.00 per Equity Share) aggregating to ₹ 200.93 Lakh
<b>Net Issue to the Public</b>	48,70,400 Equity Shares of ₹10.00 each for cash at a price of ₹ 78.00 per Equity Share (including premium of ₹ 68.00 per Equity Share) aggregating to ₹ 3,798.91 Lakh
<b>Out of which:</b>	
<b>Allocation to Retail Individual Investors for upto ₹2.00 Lakh</b>	24,35,200 Equity Shares of ₹10.00 each at a price of ₹ 78.00 per Equity Share (including premium of ₹ 68.00 per Equity Share) aggregating to ₹ 1,899.46 Lakh
<b>Allocation to Non-Institutional Investors for above ₹2.00 Lakh</b>	24,35,200 Equity Shares of ₹10.00 each at a price of ₹ 78.00 per Equity Share (including premium of ₹ 68.00 per Equity Share) aggregating to ₹ 1,899.46 Lakh
<b>Pre and Post-Issue Equity Shares</b>	
<b>Equity Shares outstanding prior to the Issue</b>	1,39,79,520 Equity Shares of ₹10.00 each
<b>Equity Shares outstanding after the Issue*</b>	1,91,07,520 Equity Shares of ₹10.00 each
<b>Objects of the Issue</b>	Please refer to the chapter titled “ <i>Objects of the Issue</i> ” beginning on page 66 of this Prospectus

\*Assuming full allotment

<sup>(1)</sup> This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details, please see the section titled “**Issue Related Information**” beginning on page no. 207 of this Prospectus.

<sup>(2)</sup> The present Issue has been authorized pursuant to a resolution of our Board dated March 20, 2021 and by Special Resolution passed under Section 62(1)(C) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our shareholders held on April 19, 2021.

As per Regulation 253(2) of the SEBI (ICDR) Regulations, 2018, as amended from time to time, the allocation in the net issue to the public category shall be made as follows:

- Minimum 50% (fifty percent) to Retail Individual Investors; and
- Remaining to:
  - a) Individual applicants other than retail individual investors; and
  - b) Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

Provided that the unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

**Explanation to Regulations 253 of ICDR Regulations, 2018:** If the retail individual investor category is entitled to more than fifty percent of the issue size on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.



## SUMMARY OF FINANCIAL INFORMATION

<b>ANNEXURE - I</b>			
<b>RESTATED SUMMARY STATEMENT OF ASSET AND LIABILITIES</b>			<b>(₹ in Lakh)</b>
<b>Particulars</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>
<b>I. EQUITY AND LIABILITIES</b>			
Shareholders' Funds			
Share Capital	87.37	87.37	87.37
Reserve and Surplus (excluding Revaluation Reserves, if any)	2,347.85	1,920.26	1,201.64
Non-Current Liabilities			
Long-term Borrowings	1,639.28	1,945.48	1,958.37
Long Term provisions	74.62	43.13	28.43
Current Liabilities			
Short-term Borrowings	1,123.73	1,157.81	1,310.01
Trade Payables	2,238.94	1,633.43	1,395.03
Other Current Liabilities	1,528.32	906.57	921.65
Short-term Provisions	1,711.89	1,335.17	412.66
<b>Total</b>	<b>10,751.99</b>	<b>9,029.24</b>	<b>7,315.17</b>
<b>II. Asset</b>			
Non-Current Asset			
Fixed Asset			
(i) Tangible Asset	923.13	994.68	1201.89
(ii) Intangible Asset	1.54	2.12	2.54
Non-Current Investment	0.76	0.76	0.75
Deferred Tax Assets (Net)	62.03	38.53	8.71
Long-term Loan and Advances	18.00	18.00	18.00
Current Asset			
Inventories	1,893.33	1,696.11	741.82
Trade Receivables	4,446.06	3,806.86	3,817.14
Cash and Cash Equivalents	32.45	31.96	44.26
Short-term Loan and Advances	146.49	223.84	15.27
Other Current Asset	3,228.20	2,216.37	1,464.79
<b>Total</b>	<b>10,751.99</b>	<b>9,029.24</b>	<b>7,315.17</b>

<b>ANNEXURE - II</b>			
<b>RESTATED SUMMARY STATEMENT OF PROFIT AND LOSS</b>			<b>(₹ in Lakh)</b>
<b>Particulars</b>	<b>For the year ending on 31.03.2021</b>	<b>For the year ending on 31.03.2020</b>	<b>For the year ending on 31.03.2019</b>
Revenue from Operations	15,770.61	17,110.51	7,320.17
Other Income	25.91	43.98	28.37
<b>Total Revenue</b>	<b>15,796.52</b>	<b>17,154.49</b>	<b>7,348.54</b>
<b>Expenses:</b>			
Cost Material Consumed	5,959.39	7,240.34	2,992.99
Change in Inventory	(413.28)	(642.17)	(317.98)
Employee Benefits Expenses	3,193.86	2,404.28	793.65
Finance Costs	438.10	502.37	316.57
Depreciation and Amortization Expense	226.92	268.52	241.96
Other Expenses	5,712.22	6,327.05	2,958.36
<b>Total Expenses</b>	<b>15,117.22</b>	<b>16,100.39</b>	<b>6,985.55</b>
Profit before exceptional and extraordinary items and tax (A-B)	<b>679.30</b>	<b>1,054.10</b>	<b>362.99</b>
Exceptional/Prior Period items = Provisions for CSR	14.42	12.86	-
<b>Profit before extraordinary items and tax</b>	<b>664.88</b>	<b>1,041.24</b>	<b>362.99</b>
Extraordinary items	-	-	-
<b>Profit Before Tax</b>	<b>664.88</b>	<b>1,041.24</b>	<b>362.99</b>
Provision for Tax			
- Current Tax	260.80	352.44	139.90
- Earlier Year Taxes	-	-	-
- Deferred Tax Liability / (Asset)	(23.50)	(29.82)	(28.42)
<b>Restated profit after tax for the period from continuing operations</b>	<b>427.59</b>	<b>718.62</b>	<b>251.51</b>
<b>Restated profit for the period</b>	<b>427.59</b>	<b>718.62</b>	<b>251.51</b>

<b>ANNEXURE -III</b>			
<b>RESTATED SUMMARY STATEMENT OF CASH FLOW</b>			
<b>Particulars</b>	<b>For the year ending on 31.03.2021</b>	<b>For the year ending on 31.03.2020</b>	<b>(₹ in Lakh) For the year ending on 31.03.2019</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit before tax	664.88	1,041.24	362.99
<b>Adjustment for:</b>			
Add Depreciation	226.92	268.52	241.96
Add Finance Cost	438.10	502.37	316.57
Add Loss on sale of Fixed assets	20.44	5.64	21.57
Less Interest on Income Tax Refund	-	-	-
Less Interest received	(19.58)	(29.13)	(17.39)
Less Profit on sale of Investment	-	-	-
Add: Provision for CSR	14.42	12.86	-
<b>Operating profit before working capital changes</b>	<b>1,345.19</b>	<b>1,801.51</b>	<b>925.70</b>
<b>Adjustment for:</b>			
(Increase)/Decrease in Trade Receivable	(639.20)	10.28	(2,199.58)
(Increase)/Decrease in Inventories	(197.22)	(954.29)	(212.78)
(Increase)/Decrease in Short Term loan and advances	77.35	(208.57)	6.67
(Increase)/Decrease in Other Current Asset	(1,011.83)	(751.58)	(693.23)
(Increase)/Decrease in Trade Payable	605.51	238.40	865.14
(Increase)/Decrease in Provisions	101.50	592.20	157.76
(Increase)/Decrease in Other Current Liabilities	621.75	(15.09)	480.78
<b>Net Adjustments</b>	<b>(442.14)</b>	<b>(1,088.66)</b>	<b>(1,595.26)</b>
Cash generated from/ (used in) operations	903.05	712.85	(669.55)
Income Tax Paid (Net)	-	(34.98)	-
<b>Net cash generated from/ (used in) Operating Activities - (A)</b>	<b>903.05</b>	<b>677.87</b>	<b>(669.55)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Net (purchase) Sale of tangible fixed assets	(175.23)	(66.53)	(683.34)
Sale / (Purchase) of Investments	-	(0.01)	-
(Increase)/Decrease in Long Term loan and advances	-	-	(1.42)
Interest Received	19.58	29.13	17.39
<b>Net cash generated from/ (used in) Investing Activities - (B)</b>	<b>(155.65)</b>	<b>(37.42)</b>	<b>(667.37)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from Issue of Shares	-	-	-
Increase/(Decrease) in Long-term Borrowings	(306.21)	(12.88)	1,269.17
Increase/(Decrease) in Short-term Borrowings	(34.08)	(152.20)	365.06
Increase/(Decrease) in Long Term Provisions	31.49	14.70	18.20
Finance Cost	(438.10)	(502.37)	(316.57)
<b>Net cash generated from/ (used in) Financing Activities - (C)</b>	<b>(746.90)</b>	<b>(652.76)</b>	<b>1,335.86</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>0.50</b>	<b>(12.29)</b>	<b>(1.07)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>31.96</b>	<b>44.26</b>	<b>45.33</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>32.46</b>	<b>31.96</b>	<b>44.26</b>
<b>3. Components of cash and cash equivalents:</b>			
<b>Particulars</b>	<b>31.03.2021</b>	<b>31.03.2020</b>	<b>31.03.2019</b>
Cash on hands	31.32	30.58	37.88
Balances with Banks			
In current accounts	1.13	1.37	6.38
<b>Total Cash and Cash Equivalents</b>	<b>32.45</b>	<b>31.96</b>	<b>44.26</b>

## SECTION V: GENERAL INFORMATION

Our Company was originally incorporated as “Mark-O-Line Traffic Controls Private Limited” on November 08, 2002 at Pune, Maharashtra as a private limited company under the Companies Act, 1956 with the Registrar of Companies, Pune. The Registered office of our Company got shifted from Pune to Mumbai vide Certificate of Registration of Regional Director order for Change of State dated September 27, 2005. The name of our Company was changed from “Mark-O-Line Traffic Controls Private Limited” to “Markolines Traffic Controls Private Limited” vide Fresh Certificate of Incorporation consequent upon Change of Name pursuant to Shareholders Resolution passed at the Extra Ordinary General Meeting held on February 17, 2018. Further, our Company was converted into Public Limited Company pursuant to Shareholder’s resolution passed at the Extraordinary General Meeting of our Company held on April 19, 2021 and the name of our Company was changed to “Markolines Traffic Controls Limited” and a Fresh Certificate of Incorporation consequent upon conversion of Company to Public Limited dated August 10, 2021 was issued by Registrar of Companies, Mumbai, Maharashtra, being Corporate Identification Number U99999MH2002PLC156371.

For details in relation to the changes to the name of our Company, Registered Office and other details, please refer to the chapter titled “*Our History and Certain Other Corporate Matters*” beginning on page 122 of this Prospectus.

BRIEF COMPANY AND ISSUE INFORMATION	
<b>Registration Number</b>	156371
<b>Corporate Identification Number</b>	U99999MH2002PLC156371
<b>Address of Registered Office</b>	502, A Wing, Shree Nand Dham, Sector 11, CBD Belapur Navi Mumbai 400614, Maharashtra India. <b>Tel:</b> +91 22 6266 1111 <b>Email:</b> <a href="mailto:company.secretary@markolines.com">company.secretary@markolines.com</a> <b>Website:</b> <a href="http://www.Markolines.com">www.Markolines.com</a>
<b>Address of Corporate Office</b>	601, 602, 603, 604 & 605, 6th Floor, Wing-A, Shree Nand Dham, Sector 11, CBD Belapur, Navi Mumbai – 400614
<b>Address of Registrar of Companies</b>	<b>Registrar of Companies, Mumbai</b> 100, Everest, Marine Drive, Mumbai - 400002, Maharashtra, India.
<b>Designated Stock Exchange</b>	<b>BSE Limited</b> <b>(SME Platform of BSE Limited)</b> P J Towers, Dalal Street, Fort, Mumbai– 400001, Maharashtra, India
<b>Issue Programme</b>	Issue Opens on: Wednesday, September 15, 2021 Issue Closes on: Monday, September 20, 2021
<b>Chief Financial Officer</b>	<b>Mr. Vijay Ratanchand Oswal</b> 502, A Wing, Shree Nand Dham, Sector 11, CBD Belapur Navi Mumbai 400614, Maharashtra India. <b>Tel:</b> +91 22 6266 1111 <b>Email:</b> <a href="mailto:vijay@markolines.com">vijay@markolines.com</a> <b>Website:</b> <a href="http://www.markolines.com">www.markolines.com</a>
<b>Company Secretary and Compliance Officer</b>	<b>Mr. Parag Sudhir Jagdale</b> 502, A Wing, Shree Nand Dham, Sector 11, CBD Belapur Navi Mumbai 400614, Maharashtra India. <b>Tel:</b> +91 22 6266 1111 <b>Email:</b> <a href="mailto:company.secretary@markolines.com">company.secretary@markolines.com</a> <b>Website:</b> <a href="http://www.markolines.com">www.markolines.com</a>

## OUR BOARD OF DIRECTORS

Details regarding our Board of Directors as on the date of this Prospectus are set forth in the table hereunder:

Name	Designation	Address	DIN
Mr. Sanjay Bhanudas Patil	Chairman and Managing Director	Plot No. 396/1/8, Anandvan Colony, Opp. Cattle Market, Karad, Satara – 415110, Maharashtra, India	00229052
Mr. Karan Atul Bora	Executive Director	E-404, 10 Kasturkunj, ICS Colony Bhosale Nagar, Near Anandmayi Ashram, Shivaji Nagar, Pune - 411007, Maharashtra, India	08244316
Mrs. Kirtinandani Sanjay Patil	Non-Executive Director	396/1/8, Anandvan Colony, Opp. Cattle Market, Karad, Satara – 415110, Maharashtra, India	09288282

Name	Designation	Address	DIN
Mr. Akash Manohar Pathak	Independent Director	B1/704 Lunkad Collonade 7th Floor, Hissa No. 5/ Survey No. 211 Lohegaon Vimannagar Pune-411014, Dukrikline, Maharashtra, India	09288697
Mrs. Anjali Shivaji Patil	Independent Director	Plot No. 104, Flat No. 403, Ramya CHS, Shivam Nursing Home, Charkop, Sector 2, Kandivali (West), Mumbai 40067, Maharashtra	02136528

For detailed profile of our Directors, refer “**Our Management**” on page 127 respectively of this Prospectus.

#### INVESTOR GRIEVANCES:

Investors may contact the Company Secretary and Compliance Officer and / or the Registrar to the Issue and / or Lead Manager in case of any Pre-Issue or Post-Issue related problems, such as non-receipt of Letter of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account and non-receipt of funds by electronic mode.

All grievances may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the Application Form was submitted, giving full details such as Name of the Sole or First Applicant, Application Form Number, Applicant’s DP ID, Client ID, PAN, Address of Applicant, Number of Equity Shares applied for, ASBA Account Number in which the amount equivalent to the Application Amount was blocked or the UPI ID (for Retail Individual Investors who make the payment of Application Amount through the UPI Mechanism), Date of Application Form and the Name and Address of the Relevant Designated Intermediary where the Application was submitted. Further, the Applicant shall enclose the Acknowledgment Slip or the Application Number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Applicants submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue.

In terms of SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and subject to applicable law, any ASBA Applicant whose Application has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs at the rate higher of ₹ 100 or 15% per annum of the application amount in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted / partially-allotted applications for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Lead Manager shall compensate the investors at the rate higher of ₹ 100 or 15% per annum of the application amount

#### DETAILS OF KEY INTERMEDIARIES PERTAINING TO THIS ISSUE OF OUR COMPANY:

LEAD MANAGER OF THE ISSUE	REGISTRAR TO THE ISSUE
<b>GRETEX CORPORATE SERVICES LIMITED</b> Office No. 13, 1 <sup>st</sup> Floor, New Bansilal Building, Raja Bahadur Mansion, 9-15, Homi Modi Street, Fort, Mumbai- 400001, Maharashtra, India <b>Tel. No.:</b> +91 – 22 – 4002 5273 / 98368 22199 <b>Fax No.:</b> NA <b>Email:</b> <a href="mailto:info@gretexgroup.com">info@gretexgroup.com</a> / <a href="mailto:mbk@gretexgroup.com">mbk@gretexgroup.com</a> <b>Website:</b> <a href="http://www.gretexcorporate.com">www.gretexcorporate.com</a> <b>Contact Person:</b> Mr. Janil Dilip Jain <b>SEBI Registration No.:</b> INM000012177 <b>CIN:</b> U74999MH2008PLC288128	<b>BIGSHARE SERVICES PRIVATE LIMITED</b> 1 <sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai- 400059, Maharashtra, India <b>Tel. No.:</b> +91 – 22 – 6263 8200; <b>Fax No.:</b> +91 – 22 – 6263 8299 <b>Email:</b> <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a> <b>Investor Grievance Email:</b> <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a> ; <b>Website:</b> <a href="http://www.bigshareonline.com">www.bigshareonline.com</a> <b>Contact Person:</b> Mr. Swapnil Kate <b>SEBI Registration No.:</b> INR000001385 <b>CIN:</b> U99999MH1994PTC076534

LEGAL ADVISOR TO THE ISSUE	STATUTORY AUDITOR OF THE COMPANY
<b>M/S. M. V. KINI LAW FIRM</b> Kini House, 6 / 39 Jangpura-B, New Delhi – 110014, India <b>Tel No.:</b> +91 – 11 – 2437 1038 / 39 / 40 <b>Mobile:</b> + 91 – 9899016169 <b>Email:</b> <a href="mailto:raj@mvkini.com">raj@mvkini.com</a> <b>Website:</b> <a href="http://www.mvkini.com">www.mvkini.com</a> <b>Contact Person:</b> Ms. Raj Rani Bhalla	<b>GUPTA AGARWAL &amp; ASSOCIATES,</b> Chartered Accountants, Imax Lohia Square, 23, Gangadhar Babu Lane, 3rd Floor, Room No. 3A, Kolkata – 700 012 <b>Tel No.:</b> +91-33-4604 1743 <b>E-mail:</b> <a href="mailto:guptaagarwal.associate@gmail.com">guptaagarwal.associate@gmail.com</a> <b>Contact Person:</b> Mr. Jay Shanker Gupta <b>Membership No.:</b> 059535 <b>Firm Registration No.:</b> 329001E <b>Peer Review No:</b> 013306

BANKER TO THE COMPANY	BANKERS TO THE ISSUE / SPONSOR BANK
<b>STATE BANK OF INDIA</b> Hindu Colony, Dadar Branch, 2/80, 2/10, “Bullet”, Lakhamashi Nappu Road, Opp. Raja Shivaji Vidyalaya, Dadar- East, Mumbai- 400014 <b>Tel:</b> 022 2417 0275 <b>Fax No.:</b> 022 2410 1892 <b>Email:</b> <a href="mailto:sbi.04114@sbi.co.in">sbi.04114@sbi.co.in</a> <b>Website:</b> <a href="http://www.onlinesbi.com">www.onlinesbi.com</a> <b>Contact Person:</b> Mr. Rajiv Arora – Chief Manager	<b>ICICI BANK LIMITED</b> Capital Market Division, 1 <sup>st</sup> Floor, 122, Mistry Bhavan, Dinshaw Vaccha Road, Backbay Reclamation, Churchgate, Mumbai – 400020 <b>Tel:</b> 022-66818911 / 23 / 24 <b>Fax No.:</b> 022-22611138 <b>Email:</b> <a href="mailto:kmr.saurabh@icicibank.com">kmr.saurabh@icicibank.com</a> <b>Website:</b> <a href="http://www.icicibank.com">www.icicibank.com</a> <b>Contact Person:</b> Mr. Saurabh Kumar <b>SEBI Registration No.</b> INBI00000004

#### CHANGES IN AUDITORS DURING LAST THREE FINANCIAL YEARS

Except as mentioned below, there has been no change in the auditors of our Company during the last 3 years:

Sr. No.	Date of Change	From	To	Reason for change
1.	July 13, 2020	<b>R. G. Mundada &amp; Co.</b> Flat No 14, 515/516, Purva Plaza, Sadashiv Peth, Pune - 411030, Maharashtra, India. <b>Tel No.:</b> 020- 24459980 <b>Email:</b> <a href="mailto:rgmasso2008@gmail.com">rgmasso2008@gmail.com</a> <b>Contact Person:</b> Mr. Rajesh Mundada <b>Membership No.:</b> 41360 <b>Firm Registration No.:</b> 106685W <b>Peer Review No:</b> N.A.	<b>Gupta Agarwal &amp; Associates,</b> Chartered Accountants, Imax Lohia Square, 23, Gangadhar Babu Lane, 3 <sup>rd</sup> Floor, Room No. 3A, Kolkata – 700 012, West Bengal, India <b>Tel No.:</b> +91-33-4604 1743 <b>E-mail:</b> <a href="mailto:guptaagarwal.associate@gmail.com">guptaagarwal.associate@gmail.com</a> <b>Contact Person:</b> Mr. Jay Shanker Gupta <b>Membership No.:</b> 059535 <b>Firm Registration No.:</b> 329001E <b>Peer Review No:</b> 009865	Causal Vacancy

#### SELF-CERTIFIED SYNDICATE BANKS

The list of SCSBs notified by SEBI for the ASBA process is available on the SEBI website at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Applicant, (other than an RII using the UPI Mechanism), not Applying through Syndicate or through a Registered Broker, may submit the ASBA Forms, is available at the above-mentioned link, and at such other websites as may be prescribed by SEBI from time to time.

Further, the branches of the SCSBs where the Designated Intermediaries could submit the ASBA Form of Applicants is provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> which may be updated from time to time or at such other website as may be prescribed by SEBI from time to time

#### INVESTORS BANKS OR ISSUER BANKS FOR UPI

In accordance with UPI Circulars, RIIs Applying via UPI Mechanism may apply through the SCSBs and mobile applications, whose names appear on the website of SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>), as updated from time to time.



A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' to the SEBI circular, bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019.

## **REGISTERED BROKERS**

The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and e-mail address, is provided on the website of SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, respectively, as updated from time to time.

## **REGISTRAR AND SHARE TRANSFER AGENTS**

The list of the RTAs eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of 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 ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the website of SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, respectively, as updated from time to time.

## **STATEMENT OF RESPONSIBILITY OF THE LEAD MANAGER / STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES**

Since Gretex Corporate Services Limited is the sole Lead Manager to this Issue, a statement of inter se allocation of responsibilities amongst Lead Manager is not required.

## **CREDIT RATING**

This being an Issue of Equity Shares, there is no requirement of credit rating for the Issue.

## **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.

## **EXPERT OPINION**

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

Our Company has received written consent from the Statutory Auditor namely M/s. Gupta Agarwal & Associates, Chartered Accountants, to include their name in respect of the reports on the Restated Financial Statements dated August 27, 2021, and the Statement of Tax Benefits dated August 27, 2021, issued by them and included in this Prospectus, as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Prospectus and as "Expert" as defined under Section 2(38) of the Companies Act, 2013 and such consent has not been withdrawn as on the date of this Prospectus.

However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

## **TRUSTEES**

This is an issue of equity shares hence appointment of trustees is not required.

## **MONITORING AGENCY**

Since the proceeds from the Fresh Issue does not exceed ₹10,000 Lakh in terms of Regulation 262 (1) of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of 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.

## **APPRAISAL AGENCY**

Our Company has not appointed any appraising agency for appraisal of the Project.

## FILING OF ISSUE DOCUMENT

The Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Issue Document in terms of Regulation 246 of SEBI (ICDR), 2018. However, pursuant to Sub-Regulation (5) of Regulation 246, the copy of 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 Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. A copy of the Prospectus along with the documents required to be filed under Section 26 and Section 32 of the Companies Act, 2013 will be delivered to the Registrar of Company, Mumbai.

## WITHDRAWAL OF THE ISSUE

Our Company in consultation with the 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 Lead Manager, through the Registrar to the Issue, will instruct the SCSBs and Sponsor Bank (in case of RII's using the UPI Mechanism), to unblock the ASBA Accounts within one (1) working Day from the day of receipt of such instruction.

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 Issued through the Prospectus, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus.

If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will file a fresh Prospectus with the Stock Exchange where the Equity Shares may be proposed to be listed.

## UNDERWRITING AGREEMENT

This Issue is 100% Underwritten. The Underwriting agreement is dated August 25, 2021 and Addendum to the Underwriting Agreement dated September 06, 2021. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein.

The Underwriter have indicated its intention to underwrite the following number of specified securities being offered through this Issue:

Details of the Underwriter	No. of shares underwritten	Amount Underwritten (₹ in Lakh)	% of the Total Issue Size Underwritten
<b>Gretex Corporate Services Limited</b> Office No. 13, 1st Floor, New Bansilal Building, Raja Bahadur Mansion, 9-15 Homi Modi Street, Fort, Mumbai – 400001, Maharashtra, India. <b>Tel. No.:</b> +91 22 4002 5273 / 98368 22199 / 98368 21999 <b>Email:</b> <a href="mailto:info@gretexgroup.com">info@gretexgroup.com</a> / <a href="mailto:mbk@gretexgroup.com">mbk@gretexgroup.com</a> <b>Website:</b> <a href="http://www.gretexcorporate.com">www.gretexcorporate.com</a> <b>Contact Person:</b> Mr. Janil Dilip Jain <b>SEBI Registration No.:</b> INM000012177 <b>CIN:</b> U74999MH2008PLC288128	48,70,400	3,798.91	94.98
<b>Gretex Share Broking Private Limited</b> Office No. 13, 1st Floor, New Bansilal Building, Raja Bahadur Mansion, 9-15, Homi Modi Street, Fort, Mumbai – 400001, Maharashtra, India <b>Tel. No.:</b> +91-22-40025273 <b>Email:</b> <a href="mailto:sherwoodpvtltd@yahoo.co.in">sherwoodpvtltd@yahoo.co.in</a> <b>Contact Person:</b> Mr. Alok Harlalka <b>SEBI Registration No:</b> INZ000166934	2,57,600	200.93	5.02

<b>Market Maker Registration No.:</b> SMEMM0617628062012			
<b>TOTAL</b>	<b>51,28,000</b>	<b>₹ 3,999.84</b>	<b>100.00</b>

As per Regulation 260(2) of SEBI (ICDR) Regulations, 2018, the Lead Manager has agreed to underwrite to a minimum extent of 15% of the Issue out of its own account. In the opinion of the Board of Directors (based on certificate given by the Underwriters), the resources of the above-mentioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The above-mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as broker with the Stock Exchange.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitments set forth in the table above. Notwithstanding the above table, the Lead Manager shall be responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the underwriting agreement, will also be required to procure / subscribe to Equity Shares to the extent of the defaulted amount. If the Underwriter(s) fails to fulfil its underwriting obligations as set out in the Underwriting Agreement, the Lead Manager shall fulfil the underwriting obligations in accordance with the provisions of the Underwriting Agreement.

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

Our Company has entered into Market Making Agreement dated August 25, 2021 and Addendum to the Market Making Agreement dated September 06, 2021, with the Lead Manager and Market Maker to fulfill the obligations of Market Making:

The details of Market Maker are set forth below:

<b>Name</b>	Gretex Share Broking Private Limited
<b>Address</b>	Office No.13, 1 <sup>st</sup> Floor, New Bansilal Building, Raja Bahadur Mansion, 9-15, Homi Modi Street, Fort, Mumbai- 400023, Maharashtra, India
<b>Tel No.</b>	+91-22 4002 5273
<b>Email</b>	<a href="mailto:sherwoodpvtltd@yahoo.co.in">sherwoodpvtltd@yahoo.co.in</a>
<b>Contact Person</b>	Mr. Alok Harlalka
<b>CIN</b>	U65900MH2010PTC289361
<b>SEBI Registration No.</b>	INZ000166934
<b>Market Maker Registration No. (SME Segment of BSE)</b>	SME MM0617628062012

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

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

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

- 1) The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker shall inform the Stock Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
- 2) The minimum depth of the quote shall be ₹ 1.00 Lakh. However, the investors with holdings of value less than ₹ 1.00 Lakh shall be allowed to offer their holding to the Market Maker in that scrip provided that they sell their entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
- 3) After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Shares of market maker in our Company reaches to 25% (Including the 5% of Equity Shares of the Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Equity Shares would not be taken in to consideration of computing the threshold of 25%. As soon as the Shares of market maker in our Company reduce to 24%, the market maker will resume providing 2-way quotes.
- 4) There shall be no exemption / threshold on downside. However, in the event the market maker exhausts his inventory through market making process, the concerned stock exchange may intimate the same to SEBI after due verification.

- 5) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
- 6) There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, Gretex Share Broking Private Limited is acting as the sole Market Maker.
- 7) The shares of the Company will be traded in continuous trading session from the time and day the company gets listed at SME Platform of BSE Limited and Market Maker will remain present as per the guidelines mentioned under the BSE Limited and SEBI circulars.
- 8) There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily / fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while *force-majeure* will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
- 9) The Market Maker shall have the right to terminate said arrangement by giving a three month notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker.
- 10) In case of termination of the above-mentioned Market Making Agreement prior to the completion of the compulsory Market Making Period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker(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 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.
- 11) SME Platform of BSE Limited will have all margins which are applicable on the BSE Limited 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.
- 12) SME Platform of 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.
- 13) The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct / manipulation / other irregularities by the Market Maker from time to time.
- 14) Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to ₹ 250 crores, the applicable price bands for the first day shall be:
  - a. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
  - b. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.

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 Platform of BSE Limited.

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

- 1) Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market maker(s) 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 ₹ 20 Crores	25%	24%
₹ 20 to ₹ 50 Crores	20%	19%
₹ 50 to ₹ 80 Crores	15%	14%
Above ₹ 80 Crores	12%	11%

- 2) 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.

**On the first day of listing, there will be a pre-open session (call auction) and there after 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 Shares on the Stock Exchange.**



## SECTION VI: CAPITAL STRUCTURE

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

Sr. No.	Particulars	Amount (₹ in Lakh except share data)	
		Aggregate Nominal Value	Aggregate value at Issue Price
<b>A.</b>	<b>Authorised Share Capital</b>		
	2,00,00,000 Equity Shares of ₹ 10 each	2,000.00	-
<b>B.</b>	<b>Issued, Subscribed and Paid-Up Share Capital before the Issue</b>		
	1,39,79,520 Equity Shares of ₹ 10 each	1,397.95	-
<b>C.</b>	<b>Present Issue in terms of this Prospectus <sup>(1)</sup></b>		
	Fresh Issue of 51,28,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 78.00 per Equity Share (including premium of ₹ 68.00 per Equity Share)	512.80	3,999.84
	<i>Which comprises:</i>		
<b>D.</b>	<b>Reservation for Market Maker portion</b>		
	2,57,600 Equity Shares of ₹ 10 each for cash at a price of ₹ 78.00 per Equity Share (including premium of ₹ 68.00 per Equity Share)	25.76	200.93
<b>E.</b>	<b>Net Issue to the Public</b>		
	48,70,400 Equity Shares of ₹ 10 each for cash at a price of ₹ 78.00 per Equity Share (including premium of ₹ 68.00 per Equity Share)	487.04	3,798.91
	<i>Of which <sup>(2)</sup>:</i>		
	24,35,200 Equity Shares of ₹ 10 each at a price of ₹ 78.00 per Equity Share (including premium of ₹ 68.00 per Equity Share) will be available for allocation to Retail Individual Investors of up to ₹ 2.00 Lakh	243.52	1,899.46
	24,35,200 Equity Shares of ₹ 10 each at a price of ₹ 78.00 per Equity Share (including premium of ₹ 68.00 per Equity Share) will be available for allocation to Non-Institutional Investors including Qualified Institutional Buyers of above ₹ 2.00 Lakh	243.52	1,899.46
<b>F.</b>	<b>Issued, Subscribed and Paid-up Share Capital after the Issue</b>		
	1,91,07,520 Equity Shares of ₹ 10 each	1,910.75	-
<b>G.</b>	<b>Securities Premium Account</b>		
	Before the Issue		Nil
	After the Issue		3,487.04

- The present Issue of has been authorized pursuant to a resolution of our Board of Directors dated March 20, 2021 and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting of the members held with a shorter notice on April 19, 2021.*
- Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Issue Price. Under subscription, if any, in any of the categories, would be allowed to be met with spill over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.*

### **CLASS OF SHARES**

As on date of the Prospectus, our Company has only one class of shares i.e. Equity Shares of ₹ 10 each. Prior to that our Company had two class of shares which was re-classified into one class of ordinary equity shares having non-differential voting rights pursuant to special resolution passed at the Extra-ordinary General Meeting held on July 31, 2020. All Equity

Shares issued are fully paid up. Our Company does not have any outstanding convertible instruments as on the date of the Prospectus.

## NOTES TO CAPITAL STRUCTURE

### 1. History of Issued and Paid-Up Share Capital of our Company

The history of the equity share capital of our Company is set forth below:

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue Price (₹)	Nature of Consideration	Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)	Cumulative Securities Premium (₹)
Upon Incorporation	1,003	100	100	Cash	Subscription to MoA upon Incorporation (i)	1,003	1,00,300	--
March 19, 2003	800	100	100	Cash	Preferential Issue (ii)	1,803	1,80,300	--
July 01, 2004	171	100	100	Cash	Preferential Issue (iii)	1,974	1,97,400	--
February 28, 2006	9,870	100	-	Other than Cash	Bonus Issue (5:1) (iv)	11,844	11,84,400	--
December 10, 2007	10,818	100	100	Cash	Preferential Issue (v)	22,662	22,66,200	--
March 30, 2010	39,710	100	100	Cash	Preferential Issue (vi)	62,372	62,37,200	--
March 31, 2011	25,000	100	100	Cash	Preferential Issue (vii)	87,372	87,37,200	--
June 28, 2020	8,73,720	10	--	--	Sub-Division	8,73,720	87,37,200	--
July 31, 2020	Alteration of Rights of Class A & B Equity Shares - having differential voting rights - into Ordinary Equity Shares having non-differential voting rights							
August 26, 2021	1,31,05,800	10	-	Other than Cash	Bonus Issue (15:1) (viii)	1,31,93,172	13,19,31,720	--

#### (i) Initial Subscribers to the Memorandum of Association of our Company:

S.N.	Name	Class of Shares**	No. of Equity Shares*
1	Sanjay Bhanudas Patil	A	300
2	Niyaz S. Momin	A	150
3	Avinash B. Patil	A	1
4	Kirtinandini S. Patil	A	1
5	Vishwanath Ramchandra Dange	A	250
6	Sunil S. Powar	A	300
7	Vijay R. Oswal	A	1
<b>Total</b>			<b>1,003</b>

\*The equity share capital was sub-divided from Rs. 100.00 to Rs. 10.00 on June 28, 2020.

\*\*Re-classified into one class of ordinary equity shares having non-differential voting rights on July 31, 2020.

#### (ii) Preferential Issue of 800 Equity Shares at a price of Rs. 100/- per share on March 19, 2003:

S.N.	Name	Class of Shares**	No. of Equity Shares*
1	Avinash B. Patil	A	39
2	Kirtinandini S. Patil	A	299
3	Vijay R. Oswal	A	462
<b>Total</b>			<b>800</b>

\*The equity share capital was sub-divided from Rs. 100.00 to Rs. 10.00 on June 28, 2020.

**\*\*Re-classified into one class of ordinary equity shares having non-differential voting rights on July 31, 2020.**

**(iii) Preferential Issue of 171 Equity Shares at a price of Rs. 100/- per share on July 01, 2004:**

S.N.	Name	Class of Shares**	No. of Equity Shares*
1	Rajeev Ramling Kore	B	171
<b>Total</b>			<b>171</b>

*\*The equity share capital was sub-divided from Rs. 100.00 to Rs. 10.00 on June 28, 2020.*

**\*\*Re-classified into one class of ordinary equity shares having non-differential voting rights on July 31, 2020.**

**(iv) Bonus Issue of 9,870 Equity Shares in the ratio of 5 (One) Equity Shares for every 1 (One) Equity Shares held on February 28, 2006 have been made out of Capitalization of Revenue Reserves (Profit and Loss Account):**

S.N.	Name	Class of Shares**	No. of Equity Shares*
1	Patil Bhanudas Sanjay	A	2,950
2	Momin Shariffuddin Niyaz	A	2,950
3	Patil Bhanudas Avinash	A	5
4	Patil Sanjay Kirtinandini	A	5
5	Powar Shankarrao Sunil	A	2,950
6	Oswal Ratanchand Vijay	A	5
7	Kore Ramling Rajeev	B	855
8	Kore Ramling Rajeev	A	130
9	Oswal Ratanchand Kirti	A	5
10	Sangram Vishwasrao Ghatage	A	5
11	Vinayak Sahebrao Salunke	A	5
12	Shailaja Vasanttrao Gaikwad	A	5
<b>Total</b>			<b>9,870</b>

*\*The equity share capital was sub-divided from Rs. 100.00 to Rs. 10.00 on June 28, 2020.*

**\*\*Re-classified into one class of ordinary equity shares having non-differential voting rights on July 31, 2020.**

**(v) Preferential Issue of 10,818 Equity Shares at a price of Rs. 100/- per share on December 10, 2007:**

S.N.	Name	Class of Shares**	No. of Equity Shares*
1	Patil Bhanudas Sanjay	A	3,540
2	Momin Shariffuddin Niyaz	A	3,540
3	Patil Bhanudas Avinash	A	6
4	Patil Sanjay Kirtinandini	A	6
5	Powar Shankarrao Sunil	A	3,540
6	Oswal Ratanchand Vijay	A	6
7	Kore Ramling Rajeev	A	156
8	Oswal Ratanchand Kirti	A	6
9	Sangram Vishwasrao Ghatage	A	6
10	Vinayak Sahebrao Salunke	A	6
11	Shailaja Vasanttrao Gaikwad	A	6
<b>Total</b>			<b>10,818</b>

*\*The equity share capital was sub-divided from Rs. 100.00 to Rs. 10.00 on June 28, 2020.*

**\*\*Re-classified into one class of ordinary equity shares having non-differential voting rights on July 31, 2020.**

**(vi) Preferential Issue of 39,710 Equity Shares at a price of Rs. 100/- per share on March 30, 2010:**

S.N.	Name	Class of Shares**	No. of Equity Shares*
1	Patil Bhanudas Sanjay	A	13,240
2	Momin Shariffuddin Niyaz	A	13,235
3	Sunil Shankarrao Powar	A	13,235
<b>Total</b>			<b>39,710</b>

*\*The equity share capital was sub-divided from Rs. 100.00 to Rs. 10.00 on June 28, 2020.*

**\*\*Re-classified into one class of ordinary equity shares having non-differential voting rights on July 31, 2020.**

**(vii) Preferential Issue of 25,000 Equity Shares at a price of Rs. 100/- per share on March 31, 2011:**

S.N.	Name	Class of Shares**	No. of Equity Shares*
1	Patil Bhanudas Sanjay	A	8,333
2	Momin Shariffuddin Niyaz	A	8,333
3	Powar Shankarrao Sunil	A	8,334
<b>Total</b>			<b>25,000</b>

\*The equity share capital was sub-divided from Rs. 100.00 to Rs. 10.00 on June 28, 2020.

\*\*Re-classified into one class of ordinary equity shares having non-differential voting rights on July 31, 2020.

**(viii) Bonus Issue of 1,31,05,800 Equity Shares in the ratio of 15 (Fifteen) Equity Shares for every 1 (One) Equity Shares held on August 26, 2021 have been made out of Capitalization of Revenue Reserves (Profit and Loss Account):**

S.N.	Name	No. of Equity Shares*
1	Markolines Technologies Private Limited	150
2	Safala Vijay Oswal	6,47,550
3	Kirti Sanjay Patil	11,65,650
4	Karan Atul Bora	13,26,000
5	Kirti Ratanchand Oswal	12,58,200
6	Kunal Atul Bora	12,95,100
7	Sunil Shankarrao Power	150
8	Vijay Ratanchand Oswal	3,000
9	Niyazahmed Sharifuddin Momin	150
10	Sangram Vasant Gaikwad	1,350
11	Sanjay Bhanudas Patil	50,66,850
12	Vishwajit Vasantrao Gaikwad	1,350
13	Avinash Bhanudas Patil	1,800
14	Sanskruti Sanjay Patil	5,08,800
15	Rahul Ramkrishna Modak	150
16	Shailaja Vasant Gaikwad	1,500
17	Geeta Kapoor	1,500
18	Rajesh Ratanchand Oswal	64,800
19	Pallavi Dhananjay Pawar	4,58,700
20	Jaya Vijay Oswal	13,02,900
21	Markolines Infra Private Limited	150
<b>Total</b>		<b>1,31,05,800</b>

\*Bonus Issues dated August 26, 2021 have been made out of Capitalization of Revenue Reserves (Profit and Loss Account).

**2. Issue of Equity Shares for Consideration other than Cash.**

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

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Reasons for Allotment	Benefits accrued to our Company	Allottees	Class of Equity Shares	No. of Shares Allotted
February 28, 2006	9,870	10	Nil	Bonus Issue in the ratio of 5 equity shares for every 1 equity share held	Capitalization of Revenue Reserves (Profit and Loss Account)	Patil Bhanudas Sanjay	A**	2,950*
						Momin Shariffuddin Niyaz	A**	2,950*
						Patil Bhanudas Avinash	A**	5*
						Patil Sanjay Kirtinandini	A**	5*
						Powar Shankarrao Sunil	A**	2,950*
						Oswal Ratanchand Vijay	A**	5*
						Kore Ramling Rajeev	B**	855*
						Kore Ramling Rajeev	A**	130*

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Reasons for Allotment	Benefits accrued to our Company	Allottees	Class of Equity Shares	No. of Shares Allotted
						Oswal Ratanchand Kirti	A**	5*
						Sangram Vishwasrao Ghatage	A**	5*
						Vinayak Sahebrao Salunke	A**	5*
						Shailaja Vasant Gaikwad	A**	5*
August 26, 2021	1,31,05,800	10	Nil	Bonus Issue in the ratio of 15 equity shares for every 1 equity share held	Reserves & Surplus of the Company	Markolines Technologies Private Limited	-	150
						Safala Vijay Oswal	-	6,47,550
						Kirti Sanjay Patil	-	11,65,650
						Karan Atul Bora	-	13,26,000
						Kirti Ratanchand Oswal	-	12,58,200
						Kunal Atul Bora	-	12,95,100
						Sunil Shankarrao Power	-	150
						Vijay Ratanchand Oswal	-	3,000
						Niyazahmed Sharifuddin Momin	-	150
						Sangram Vasant Gaikwad	-	1,350
						Sanjay Bhanudas Patil	-	50,66,850
						Vishwajit Vasant Gaikwad	-	1,350
						Avinash Bhanudas Patil	-	1,800
						Sanskruti Sanjay Patil	-	5,08,800
						Rahul Ramkrishna Modak	-	150
						Shailaja Vasant Gaikwad	-	1,500
						Geeta Kapoor	-	1,500
						Rajesh Ratanchand Oswal	-	64,800
						Pallavi Dhananjay Pawar	-	4,58,700
						Jaya Vijay Oswal	-	13,02,900
						Markolines Infra Private Limited	-	150

\*The equity share capital was sub-divided from Rs. 100.00 to Rs. 10.00 on June 28, 2020.

\*\*Re-classified into one class of ordinary equity shares having non-differential voting rights on July 31, 2020.

- Our Company has not allotted any Equity Shares pursuant to any scheme approved under Section 391-394 of the Companies Act, 1956 and Section 230-234 of the Companies Act, 2013.
- We have not re-valued our assets since inception and have not issued any equity shares (including bonus shares) by capitalizing any revaluation reserves.
- Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees, and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed Issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.



**6. Issue of Equity Shares at price lower than the Issue Price during the preceding 1 (one) year**

Our Company has not issued any Equity Shares at a price lower than the Issue Price during a period of one year preceding the date of this Prospectus.

## 7. Our Shareholding Pattern

a) The table below presents the current shareholding pattern of our Company as on the date of this Prospectus.

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
									Total as a % of (A+B+C)	No (a)	As a % of total Shares held (b)			No (a)	As a % of total Shares held (b)			
Class-Equity	Class	Total																
A	Promoters & Promoter Group	19	1,39,79,200	-	-	1,39,79,200	100.00%	1,39,79,200	-	1,39,79,200	100.00%	-	100.00%	-	-	-	-	1,39,79,200
B	Public	2	320	-	-	320	Negligible	320	-	320	Negligible	-	Negligible	-	-	-	-	320
C	Non - Promoter Non - Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	21	1,39,79,520	-	-	1,39,79,520	100.00%	1,39,79,520	-	1,39,79,520	100.00%	-	100.00%	-	-	-	-	1,39,79,520

**b) List of shareholders holding 1% or more of the paid-up capital of our Company as on date of this Prospectus:**

Sr. No.	Name of shareholder	No. of Equity Shares	% of Pre-Issue Capital
1	Markolines Technologies Private Limited	160	0.00
2	Safala Vijay Oswal	6,90,720	4.94
3	Kirti Sanjay Patil	12,43,360	8.89
4	Karan Atul Bora	14,14,400	10.12
5	Kirti Ratanchand Oswal	13,42,080	9.60
6	Kunal Atul Bora	13,81,440	9.88
7	Sunil Shankarrao Power	160	0.00
8	Vijay Ratanchand Oswal	3,200	0.02
9	Niyazahmed Sharifuddin Momin	160	0.00
10	Sangram Vasant Gaikwad	1,440	0.01
11	Sanjay Bhanudas Patil	54,04,640	38.66
12	Vishwajit Vasantrao Gaikwad	1,440	0.01
13	Avinash Bhanudas Patil	1,920	0.01
14	Sanskruti Sanjay Patil	5,42,720	3.88
15	Rahul Ramkrishna Modak	160	0.00
16	Shailaja Vasant Gaikwad	1,600	0.01
17	Geeta Kapoor	1,600	0.01
18	Rajesh Ratanchand Oswal	69,120	0.49
19	Pallavi Dhananjay Pawar	4,89,280	3.50
20	Jaya Vijay Oswal	13,89,760	9.94
21	Markolines Infra Private Limited	160	0.00

**c) List of shareholders holding 1% or more of the paid-up capital of our company as on date ten days prior to the date of the Prospectus:**

Sr. No.	Name of shareholder	No. of Equity Shares	% of Pre-Issue Capital
1	Markolines Technologies Private Limited	160	0.00
2	Safala Vijay Oswal	6,90,720	4.94
3	Kirti Sanjay Patil	12,43,360	8.89
4	Karan Atul Bora	14,14,400	10.12
5	Kirti Ratanchand Oswal	13,42,080	9.60
6	Kunal Atul Bora	13,81,440	9.88
7	Sunil Shankarrao Power	160	0.00
8	Vijay Ratanchand Oswal	3,200	0.02
9	Niyazahmed Sharifuddin Momin	160	0.00
10	Sangram Vasant Gaikwad	1,440	0.01
11	Sanjay Bhanudas Patil	54,04,640	38.66
12	Vishwajit Vasantrao Gaikwad	1,440	0.01
13	Avinash Bhanudas Patil	1,920	0.01
14	Sanskruti Sanjay Patil	5,42,720	3.88
15	Rahul Ramkrishna Modak	160	0.00
16	Shailaja Vasant Gaikwad	1,600	0.01
17	Geeta Kapoor	1,600	0.01
18	Rajesh Ratanchand Oswal	69,120	0.49
19	Pallavi Dhananjay Pawar	4,89,280	3.50
20	Jaya Vijay Oswal	13,89,760	9.94
21	Markolines Infra Private Limited	160	0.00

**d) List of shareholders holding 1% or more of the paid-up capital of our company as on date one year prior to the date of the Prospectus:**

Sr. No.	Name of shareholder	No. of Equity Shares*	% of Pre-Issue Capital
1.	Markolines Technologies Private Limited	10	0.00
2.	Safala Vijay Oswal	43,170	4.94
3.	Kirti Sanjay Patil	77,710	8.89
4.	Karan Atul Bora	88,400	10.12
5.	Kirti Ratanchand Oswal	83,880	9.60
6.	Kunal Atul Bora	86,340	9.88
7.	Sunil Shankarrao Power	10	0.00
8.	Vijay Ratanchand Oswal	200	0.02
9.	Niyazahmed Sharifuddin Momin	10	0.00
10.	Sangram Vasant Gaikwad	90	0.01
11.	Sanjay Bhanudas Patil	3,37,790	38.66
12.	Vishwajit Vasantrao Gaikwad	90	0.01
13.	Avinash Bhanudas Patil	120	0.01
14.	Sanskruti Sanjay Patil	33,920	3.88
15.	Rahul Ramkrishna Modak	10	0.00
16.	Shailaja Vasant Gaikwad	100	0.01
17.	Geeta Kapoor	100	0.01
18.	Rajesh Ratanchand Oswal	4,320	0.49
19.	Pallavi Dhananjay Pawar	30,580	3.50
20.	Jaya Vijay Oswal	86,860	9.94
21.	Markolines Infra Private Limited	10	0.00

\* The figures considered are after taking into effect the Sub-division of the Shares of the Company from Rs. 100.00 to Rs. 10.00 with effect from June 28, 2021

**e) List of shareholders holding 1% or more of the paid-up capital of our company as on date two year prior to the date of the prospectus:**

Sr. No.	Name of shareholder	No. of Equity Shares*	% of Pre-Issue Capital
1.	Markolines Technologies Private Limited	10	0.00
2.	Safala Vijay Oswal	43,170	4.94
3.	Kirti Sanjay Patil	77,710	8.89
4.	Karan Atul Bora	88,400	10.12
5.	Kirti Ratanchand Oswal	83,880	9.60
6.	Kunal Atul Bora	86,340	9.88
7.	Sunil Shankarrao Power	10	0.00
8.	Vijay Ratanchand Oswal	200	0.02
9.	Niyazahmed Sharifuddin Momin	10	0.00
10.	Sangram Vasant Gaikwad	90	0.01
11.	Sanjay Bhanudas Patil	3,37,790	38.66
12.	Vishwajit Vasantrao Gaikwad	90	0.01
13.	Avinash Bhanudas Patil	120	0.01
14.	Sanskruti Sanjay Patil	33,920	3.88
15.	Rahul Ramkrishna Modak	10	0.00
16.	Shailaja Vasant Gaikwad	100	0.01
17.	Geeta Kapoor	100	0.01
18.	Rajesh Ratanchand Oswal	4,320	0.49
19.	Pallavi Dhananjay Pawar	30,580	3.50
20.	Jaya Vijay Oswal	86,860	9.94
21.	Markolines Infra Private Limited	10	0.00

\* The figures considered are after taking into effect the Sub-division of the Shares of the Company from Rs. 100.00 to Rs. 10.00 with effect from June 28, 2021

**8. Our Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of the Prospectus.**

9. Our Company has not made any public issue (including any rights issue to the public) since its incorporation.
10. 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 this Prospectus until the Equity Shares have been listed.
11. Further, our Company presently does not have any intention or proposal to alter our capital structure for a period of six months from the date of opening of this Issue, by way of split / consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or otherwise.

## 12. Details of our Promoters Shareholding

As on the date of this Prospectus, our Promoters hold 48.78% of the pre-issued, subscribed and paid-up Equity Share capital of our Company.

### a) Build-up of our Promoters shareholding in Our Company

#### (i) Mr. Sanjay Bhanudas Patil

Date of Allotment / Transfer	Number of Equity Shares	Face Value (₹)	Issue / Acquisition / Transfer Price (₹)	Nature of Consideration	Nature of transaction	% of pre-Issue equity share capital	% of post Issue equity share capital
November 08, 2002	3,000 *	10 *	10.00 *	Subscriber to MOA & AOA	Cash	0.02	0.02
February 03, 2003	(370) *	10 *	10.00 *	Transfer of Shares to Vijay Oswal	Cash	-0.00	-0.00
January 01, 2004	2,500 *	10 *	10.00 *	Transfer of Shares from Vishwanath Dange	Cash	0.02	0.01
April 01, 2004	(10)*	10 *	10.00 *	Transfer of Shares to Kirti Oswal	Cash	-0.00	-0.00
April 01, 2004	(10)*	10 *	10.00 *	Transfer of Shares to Sangram Ghatake	Cash	-0.00	-0.00
April 01, 2004	(10)*	10 *	10.00 *	Transfer of Shares to Vinayak Salunke	Cash	-0.00	-0.00
April 01, 2004	(10)*	10 *	10.00 *	Transfer of Shares to Vasant Rao Gaikwad	Cash	-0.00	-0.00
2005-06	810 *	10 *	10.00 *	Transfer of Shares from Kirtinandini Patil	Cash	0.01	0.00
February 28, 2006	29,500 *	10 *	-	Bonus Issue 5:1	Consideration other than cash	0.21	0.15
October 12, 2007	35,400 *	10 *	10.00 *	Preferential Allotment	Cash	0.25	0.19
October 08, 2009	1,32,400*	10 *	10.00 *	Preferential Allotment	Cash	0.95	0.69



March 31, 2011	83,330 *	10 *	10.00 *	Preferential Allotment	Cash	0.60	0.44
November 03, 2013	72,220 *	10 *	10.00 *	Transfer from Sunil Powar	Cash	0.52	0.38
November 03, 2013	120 *	10 *	10.00 *	Transfer from Sangram Ghatake	Cash	0.00	0.00
November 03, 2013	120 *	10 *	10.00 *	Transfer from Vinayak Salunke	Cash	0.00	0.00
November 03, 2013	3,120 *	10 *	10.00 *	Transfer from Rajeev Kore	Cash	0.02	0.02
November 03, 2013	6,160*	10 *	10.00 *	Transfer from Rajeev Kore-Class B	Cash	0.04	0.03
April 01, 2019	(30,120) *	10 *	10.00 *	Transfer to Pallavi Gaikwad	Cash	-0.22	-0.16
April 01, 2019	(360) *	10 *	10.00 *	Transfer to Pallavi Gaikwad	Cash	-0.00	-0.00
August 26, 2021	50,66,850	10	NIL	Bonus Issue	Consideration other than Cash	36.24	26.52
<b>Total</b>	<b>54,04,640</b>					<b>38.66</b>	<b>28.29</b>

\* The figures considered are after taking into effect the Sub-division of the Shares of the Company from Rs. 100.00 to Rs. 10.00 with effect from June 28, 2021

**(ii) Mr. Karan Atul Bora**

Date of Allotment / Transfer	Number of Equity Shares	Face Value (₹)	Issue / Acquisition / Transfer Price (₹)	Nature of Consideration	Nature of transaction	% of pre-Issue equity share capital	% of post Issue equity share capital
March 11, 2013	43,170 *	10 *	10.00 *	Transfer of shares from Niyaz Momin	Cash	0.31	0.23
May 30, 2017	43,170 *	10 *	10.00 *	Transfer of shares from Atul Bora	Cash	0.31	0.23
May 30, 2017	2,050 *	10 *	10.00 *	Transfer of shares from Atul Bora-Class B	Cash	0.01	0.01
April 01, 2019	10 *	10 *	10.00 *	Transfer of shares from Atul Bora	Cash	0.00	0.00
August 26, 2021	13,26,000	10	NIL	Bonus Issue	Consideration other than Cash	9.49	6.94
<b>Total</b>	<b>14,14,400</b>					<b>10.12</b>	<b>7.40</b>

\*Considering the effect of Subdivision

**Notes:**

- None of the shares belonging to our Promoters have been pledged till date.
- The entire Promoters shares shall be subject to lock-in from the date of allotment of the equity shares issued through the Prospectus for periods as per applicable Regulations of the SEBI (ICDR) Regulations.

- All the shares held by our Promoters, were fully paid-up on the respective dates of acquisition of such shares.

b) The shareholding pattern of our Promoters and Promoter Group before and after the Issue is set forth below:

Sr. No.	Particulars	Pre-Issue		Post-Issue	
		No. of Shares	% Holding	No. of Shares	% Holding
A)	<b>Promoters</b>				
1.	Sanjay Bhanudas Patil	54,04,640	38.66	54,04,640	28.29
2.	Karan Atul Bora	14,14,400	10.12	14,14,400	7.40
	<b>Total (A)</b>	<b>68,19,040</b>	<b>48.78</b>	<b>68,19,040</b>	<b>35.69</b>
B)	<b>Promoter Group</b>				
1.	Markolines Technologies Private Limited	160	0.00	160	0.00
2.	Safala Vijay Oswal	6,90,720	4.94	6,90,720	3.61
3.	Kirti Sanjay Patil	12,43,360	8.89	12,43,360	6.51
4.	Kirti Ratanchand Oswal	13,42,080	9.60	13,42,080	7.02
5.	Kunal Atul Bora	13,81,440	9.88	13,81,440	7.23
6.	Vijay Ratanchand Oswal	3,200	0.02	3,200	0.02
7.	Sangram Vasant Gaikwad	1,440	0.01	1,440	0.01
8.	Vishwajit Vasantrao Gaikwad	1,440	0.01	1,440	0.01
9.	Avinash Bhanudas Patil	1,920	0.01	1,920	0.01
10.	Sanskriti Sanjay Patil	5,42,720	3.88	5,42,720	2.84
11.	Rahul Ramkrishna Modak	160	Negligible	160	0.00
12.	Shailaja Vasant Gaikwad	1,600	0.01	1,600	0.01
13.	Geeta Kapoor	1,600	0.01	1,600	0.01
14.	Rajesh Ratanchand Oswal	69,120	0.49	69,120	0.36
15.	Pallavi Dhananjay Pawar	4,89,280	3.50	4,89,280	2.56
16.	Jaya Vijay Oswal	13,89,760	9.94	13,89,760	7.27
17.	Markolines Infra Private Limited	160	Negligible	160	0.00
	<b>Total (B)</b>	<b>71,60,480</b>	<b>51.22</b>	<b>71,60,480</b>	<b>37.47</b>
	<b>Total (A+B)</b>	<b>1,39,79,200</b>	<b>100.00*</b>	<b>1,39,79,200</b>	<b>73.16</b>

\* 320 Equity Shares of the Company are held by Public which amounts to negligible holding percentage of the Company

13. We have 21 (Twenty-One) Shareholders as on the date of this Prospectus

14. We hereby confirm that

- There has been no acquisition, sale or transfer of Equity Shares by our Promoters, Promoter Group, Directors and their immediate relatives in the last 6 months preceding the date of filing of this Prospectus.
- No financing arrangements have been entered into by the members of the Promoter Group, the Directors, or their relatives for the purchase by any other person of the securities of our Company other than in the normal course of business of the financing entity during a period of six months preceding the date of filing of this Prospectus.

#### 15. Details of Promoters' Contribution and Lock-in for Three Years

Pursuant to the Regulation 236 and 238 of SEBI (ICDR) Regulations, 2018, an aggregate of at least 20% of the post Issue Equity Share capital of our Company held by our Promoters shall be considered as Promoters' contribution ("Promoters' Contribution") and locked-in for a period of three years from the date of Allotment.

Our Promoters have granted consent to include such number of Equity Shares held by them as may constitute of the post Issue Equity Share capital of our Company as Promoters' Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters' Contribution from the date of filing of this Prospectus until the commencement of the lock-in period specified above. Details of the Equity Shares forming part of Promoters' Contribution and proposed to be locked-in for a period of three years are as follows:

Name of the Promoters	Number of shares locked-in <sup>(1)</sup>	As a % of Post Issue Share Capital
Mr. Sanjay Bhanudas Patil	30,28,851	15.85
Mr. Karan Atul Bora	7,92,653	4.15
<b>Total</b>	<b>38,21,504</b>	<b>20.00</b>

<sup>(1)</sup> For details on the date of Allotment of the above Equity Shares, the nature of Allotment, face value and the price at which they were acquired, please refer Note no. 9 under “Notes to Capital Structure” under the chapter “Capital Structure” on page 52 of this Prospectus.

The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Promoters’ Contribution under Regulation 237 of the SEBI (ICDR) Regulations, 2018. In this computation, as per Regulation 237 of the SEBI (ICDR) Regulations, our Company confirms that the Equity Shares locked-in do not, and shall not, consist of:

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

**We further confirm that our Promoters Contribution of 20% of the Post Issue Equity does not include any contribution from Alternative Investment Funds or FVCI or Scheduled Commercial Banks or Public Financial Institutions or Insurance Companies.**

#### **16. Equity Shares locked-in for one year other than Minimum Promoters Contribution**

Pursuant to regulation 238(b) and 239 of the SEBI (ICDR) Regulations, 2018, other than the Equity Shares held by our Promoters, which will be locked-in as minimum Promoters contribution for three years, all pre- Issue Equity Shares shall be subject to lock-in for a period of one year from the date of Allotment in this Issue, other than the Equity Shares allotted and subscribed pursuant to the Offer for Sale.

#### **17. Inscription or Recording of non-transferability**

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, our Company confirms that certificates of Equity Shares which are subject to lock in shall contain the inscription “Non-Transferable” and specify the lock-in period and in case such equity shares are dematerialized, the Company shall ensure that the lock in is recorded by the Depository.

#### **18. Pledge of Locked in Equity Shares**

Pursuant to Regulation 242 of the SEBI (ICDR) Regulations, 2018, the locked-in Equity Shares held by our Promoters can be pledged with any scheduled commercial bank or public financial institution or systematically important non-banking finance company or a housing finance company as collateral security for loans granted by them, provided that:

- a) if the equity shares are locked-in in terms of clause (a) of Regulation 238, the loan has been granted to the company or its subsidiary(ies) for the purpose of financing one or more of the objects of the Issue and pledge of equity shares is one of the terms of sanction of the loan;
- b) if the specified securities are locked-in in terms of clause (b) of Regulation 238 and the pledge of specified securities is one of the terms of sanction of the loan.

Provided that such lock-in shall continue pursuant to the invocation of the pledge and such transferee shall not be eligible to transfer the equity shares till the lock-in period stipulated in these regulations has expired.

## 19. Transferability of Locked in Equity Shares

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 and subject to provisions of SEBI (SAST) Regulations, 2011 as applicable;

- a) The Equity Shares held by our Promoters and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoters or any person of the Promoter Group or to a new promoter(s) or persons in control of our Company, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.
  - b) The equity shares held by persons other than promoters and locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 may be transferred to any other person (including Promoters and Promoter' Group) holding the equity shares which are locked-in along with the equity shares proposed to be transferred, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.
20. Our Company, our Directors and the Lead Manager to this Issue have not entered into any buy-back or similar arrangements with any person for purchase of our Equity Shares issued by our Company.
  21. As on date of the Prospectus, there are no partly paid-up equity shares and all the Equity Shares of our Company are fully paid up. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be issued fully paid-up equity shares.
  22. As on the date of this Prospectus, the Lead Manager and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.
  23. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under "Basis of Allotment" in the chapter titled "**Issue Procedure**" beginning on page 216 of this Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 (2) of SEBI (ICDR) Regulations, as amended from time to time.
  24. An over-subscription to the extent of 10% of the Net Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post Issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
  25. Our Company has not raised any bridge loan against the proceeds of this Issue. However, depending on business requirements, we might consider raising bridge financing facilities, pending receipt of the Net Proceeds.
  26. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
  27. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
  28. No payment, direct or indirect in the nature of discount, commission, allowances or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Issue.
  29. None of our Promoters and Promoter Group will participate in the Issue.
  30. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing this Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.

## SECTION VII: PARTICULARS TO THE ISSUE

### OBJECTS OF THE ISSUE

The Issue includes a fresh Issue of 51,28,000 Equity Shares of our Company at an Issue Price of ₹ 78.00 per Equity Share.

#### Fresh Issue

The details of the proceeds of the Fresh Issue are summarized below:

<i>(₹ in Lakh)</i>	
<b>Particulars</b>	<b>Amount</b>
Gross Proceeds from the Fresh Issue	3,999.84
Less: Issue related expenses	400.00
Net Proceeds of the Fresh Issue	3,599.84

#### Requirement of Funds

Our Company intends to utilize the Net Fresh Issue Proceeds for the following Objects ("Objects of the Issue"):

- a) Prepayment/Repayment of certain debt facilities availed by our Company
- b) To Meet Working Capital Requirements
- c) General Corporate Purposes

In addition to the aforementioned objects, our Company intends to strengthen its capital base and expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges, including among other things, enhancing the visibility of our brand and our Company among our existing and potential customers.

We believe that listing will enhance our corporate image and brand name and create a public market for Equity Share of our Company in India and will further enable us to avail future growth opportunities. We are a Highway Operations & Maintenance (**O&M**) Service providing company. We thrive to make Highway Operations & Maintenance cost effective and easier with the help of Innovation, Technology & out-of-the-box solutions. Our vast experience of 19 years in offering superior services in the Highway Operations & Maintenance (O&M) have earned us name in the (**O&M**) domain. Our principal business operations are broadly divided into three categories:

- i) Highway Operations under which we provide services like Toll operations, Route Patrolling and Incident management;
- ii) Highway Maintenance under which we provide services like Routine Maintenance, Preventive Maintenance and Major Maintenance & Repairs (MMR);
- iii) Specialized Maintenance Services under which we provide services which enhance the life and quality of road, these are Microsurfacing (MS), Base / Sub base Stabilization (FDR) and Cold In Place Recycling (CIPR).

The main object clause and the ancillary object clause of the Memorandum of Association of our Company enable us to undertake our existing activities and the activities for which we are raising funds through the Issue. The existing activities of our Company are within the object clause of our Memorandum. The Fund requirement and deployment is based on internal management estimates and has not been appraised by any bank and financial institution.

#### Utilization of Net Fresh Issue Proceeds

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



(₹ in Lakh)

Sr. No.	Particulars	Total Estimated Expenditure	Amount proposed to be financed from Net Issue Proceeds	Amount proposed to be financed from Internal Accrual
1	Prepayment / Repayment of certain debt facilities availed by our company	380.00	380.00	0.00
2	Funding of Working Capital Requirements of our company	3,386.17	2,319.84	1,066.33
3	General Corporate Purposes	900.00	900.00	0.00

(1) The entire amount is proposed to be funded from the Net Proceeds to be utilized in the Financial Year 2021-22.

### Means of Finance

The above-mentioned fund requirement will be met from the proceeds of the Issue. We intend to fund the shortfall, if any, from internal accruals. Set forth below are the means of finance for the above-mentioned fund requirement:

(₹ in Lakh)

Sl. No.	Particulars	Amount
1.	Net Issue Proceeds	3,599.84

The requirements of the objects detailed above are intended to be funded from the Proceeds of the Fresh Issue and Internal Accruals.

*Since the fund requirements set out for the aforesaid objects of the Issue are proposed to be met entirely from the Net Proceeds and internal accruals. Accordingly, we confirm that we are in compliance with the requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI (ICDR) Regulations, 2018 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.*

The fund requirements are based on internal management estimates and have not been appraised by any bank or financial institution or any other independent agency. These are based on current conditions and are subject to change in the light of changes in external circumstances or costs or other financial conditions and other external factors.

In case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing objects, if required. In case of delays in raising funds from the Issue, our Company may deploy certain amounts towards any of the above-mentioned Objects through a combination of Internal Accruals or Unsecured Loans.

As we operate in competitive environment, our Company may have to revise its business plan from time to time and consequently our fund requirements may also change. Our Company's historical expenditure may not be reflective of our future expenditure plans. Our Company may have to revise its estimated costs, fund allocation and fund requirements owing to various factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of the Company's management.

For further details on the risks involved in our business plans and executing our business strategies, please see the chapter titled "**Risk Factors**" beginning on page 21 of this Prospectus.

### Details of the use of the proceeds

#### 1) Prepayment/Repayment of certain Debt Facilities availed by our company

Our Company has entered into various financing arrangements with bank. The loan facilities entered into by our Company include borrowings in the form of term loans and fund-based facilities. For further details, including indicative terms and conditions of such loan facilities, see "**Statement of Financial Indebtedness**" beginning on page 175 of this Prospectus. As at March 31, 2021, the amount outstanding under the loan facilities (all or part of which are proposed to be repaid to the extent of ₹ 380.00 Lakh from the Objects of the Issue) availed by our Company was ₹ 383.65 Lakh on a standalone basis.

Our Company proposes to utilise an aggregate amount of ₹ 380.00 Lakh from the Net Proceeds towards full or partial repayment or prepayment of certain borrowing availed by our Company from bank. The selection and extent of loans proposed to be repaid from our Company's borrowings mentioned below will be based on various commercial considerations including, among others, the costs, expenses and charges relating to the facility including interest rate of the relevant loan, the amount of the loan outstanding, the remaining tenor of the loan, presence of onerous terms and conditions under the facility, levy of any prepayment penalties and the quantum thereof, provisions of any law, rules, regulations governing such borrowings, terms of prepayment to lenders, if any and mix of credit facilities provided by lenders.

Given the nature of these borrowings and the terms of repayment, the aggregate outstanding amounts under these loans 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 utilise the Net Proceeds for part prepayment of any such refinanced loans or repayment of any additional loan facilities obtained by it. However, the aggregate amount to be utilised from the Net Proceeds towards prepayment or repayment of loans (including refinanced or additional loans availed, if any), in part or full, would not exceed ₹ 380.00 Lakh. The prepayment or repayment will help reduce our outstanding indebtedness and debt servicing costs, assist us in maintaining a favourable debt to equity ratio and enable utilisation of our internal accruals for further investment in business growth and expansion. In addition, we believe that the leverage capacity of our Company will improve our ability to raise further resources in the future to fund potential business development opportunities and plans to grow and expand our business in the future. The following table provides details of loans availed by our Company as on March 31, 2021 on a standalone basis, out of which all or any of the facilities may be prepaid or repaid, in full or in part, from the Net Proceeds to the extent of an aggregate amount of ₹ 380.00 Lakh:

(₹ in Lakh)

Name of Lender	Date of Sanction	Purpose	Sanction Amount (in Rs.)	Rate of Interest	Outstanding as on March 31, 2021
OXYZO Loan No. OXYSPF11BD5D	July 14, 2020	Business Loan	280.00	16.28% p.a.	281.60
OXYZO Loan No. OXYSSPF01H2DP	July 23, 2020	Business Loan	100.00	15.50% p.a.	102.05

As certified by M/s. Gupta Agarwal & Associates, Chartered Accountants, pursuant to their certificate dated August 27, 2021 the above-mentioned loans have been deployed towards the purposes mentioned in the respective loan agreements. In due course of business, due to various operational benefits, our Company may explore possibilities of other banks participating in existing loans either in full or in part, including the loans mentioned above. Some of our financing agreements provide for the levy of prepayment penalties. In the event that there are any prepayment penalties required to be paid under the terms of the relevant financing agreements, such prepayment penalties shall be paid by our Company out of its internal accruals.

## 2) Working Capital Requirement

Our business is working capital intensive. We finance our working capital requirement from our internal accruals. Considering the existing and future growth, the incremental working capital needs of our company, as assessed based on the internal workings of our Company is ₹ 3,143.65 Lakh for FY 2020-2021 and expected to reach ₹ 6,529.82 Lakh respectively FY 2021-2022. We intend to meet our working capital requirements to the extent of ₹ 2,319.84 Lakh from the Net Proceeds of this Issue and the balance will be met from internal accruals at an appropriate time as per the requirement.

### Basis of estimation of working capital

The details of our Company's composition of working capital as at March 31, 2021 based on the Restated Summary Statements. Further the source of funding of the same are as set out in the table below:

(₹ in Lakh)

Particulars	March 31, 2021 Restated	March 31, 2022 Estimated
<b>Current Assets</b>		
Inventories	1,893.33	1,050.00
Trade Receivable	4,446.06	7,110.00
Cash & Cash Equivalents	32.45	35.00
Short term Loans & Advances	146.49	228.50
Other Current Assets	3,228.20	3,706.46
<b>Total (I)</b>	<b>9,746.53</b>	<b>12,129.96</b>
<b>Current Liabilities</b>		

Short-Term Borrowings	1,123.73	200.00
Trade Payables	2,238.94	3,184.00
Other Current Liabilities	1,528.32	1,007.46
Short Term Provisions	1,711.89	1,208.68
<b>Total (II)</b>	<b>6,602.88</b>	<b>5,600.14</b>
<b>Net Working Capital (I) – (II)</b>	<b>3,143.65</b>	<b>6,529.82</b>
<b>Incremental Working Capital</b>		<b>3,386.17</b>
Funding Pattern:		
Internal Accruals		1,066.33
Part of the IPO Proceeds		2,319.84

### **Assumption for Working Capital Requirement**

Assumptions for holding level

<b>Particulars</b>	<b>March 31, 2021 Restated</b>	<b>March 31, 2022 Estimated</b>
<b>Current Assets</b>		
Inventories	58	19
Trade Receivables	103	86
<b>Current Liabilities</b>		
Trade Payable	137	92

### **Justification for Holding Period Levels**

<b>Particulars</b>	<b>Details</b>
Inventories: Finished Goods	We have assumed inventories holding level of 19 days in the financial year 2021-22 which is almost in line with the holding level of financial year 2020-21 as 58 days, we intend to continue the same holding policy and expect the same clearance levels as maintained in past.
Trade Receivables	We have assumed trade receivables credit period of 86 days in the financial year 2021-22 which is in line with the credit period of 103 days in financial year 2020-21, as we expect to realise our receivables in the same manner as done previously to grow our operations.
Trade Payables	We have assumed trade payables credit period of 92 days for the financial year 2021-22 as against 137 days in the financial year 2020-21, as going forward, we intend to pay our creditors more quickly than past as more funds would be available with us through our proposed initial public offer which would help us in paying our liabilities quickly. This would help us in maintaining good terms with our creditors. This would help us to avail good cash discounts and negotiate with our vendors on better price to our advantage.

Pursuant to the certificate dated August 27, 2021, M/s Gupta Agarwal & Associates, Chartered Accountants, have verified the working capital requirements for the Financial Year 2020 from the Restated Standalone Financial Information and working capital estimates for the financial year 2021 as approved by the Board pursuant to its resolution dated August 26, 2021.

### **3) General Corporate Purposes**

The Net Proceeds will be first utilized towards the Objects as mentioned as mentioned above. The balance Net fresh Issue Proceeds of ₹ 900.00 Lakh, aggregating to 22.50% of the Issue Proceeds towards general corporate purpose, subject to such utilization not exceeding 25% of the Issue Proceeds, in compliance with the SEBI (ICDR) Regulations, 2018. Our Company intends to deploy 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:

- (i) strategic initiatives
- (ii) brand building and strengthening of marketing activities; and
- (iii) 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.

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

The entire Net Fresh Issue Proceeds are proposed to be deployed in the Financial Year 2021 – 22.

### Public Issue Expense

The estimated Issue related expenses include Issue Management Fee, Marketing Fee, Underwriting and Selling Commissions, Printing and Distribution Expenses, Legal Fee, Advertisement Expenses, Registrar's Fees, Depository Fee and Listing Fee. The total expenses for this Issue are estimated to be approximately ₹400.00 Lakh. All the Issue related expenses shall be met out of the proceeds of the Issue and the break-up of the same is as follows:

(₹ In Lakh)			
Particulars	Amount	% of Total Issue Expenses	% of Total Issue size
Payment to the Lead Manager (excluding underwriting fees)	35.00	8.75%	0.88%
Underwriting	100.00	25.00%	2.50%
Marketing & Selling Expenses	200.00	50.00%	5.00%
Market Making Fees	4.00	1.00%	0.10%
Fees payable to Registrar to the Issue	0.50	0.13%	0.01%
Fees to the legal advisor	1.50	0.38%	0.04%
Advertising expenses	35.00	8.75%	0.88%
Fees payable to regulators including stock exchanges	4.00	1.00%	0.10%
Printing and distribution expenses	5.00	1.25%	0.13%
Statutory & Other Reports	4.50	1.13%	0.11%
Payment to Sponsor Bank	0.50	0.13%	0.01%
Others, if any (including commission and processing fees for SCSBs <sup>(1)</sup> )	10.00	2.50%	0.25%
<b>Total</b>	<b>400.00</b>	<b>100.00%</b>	<b>10.00%</b>

\*\* SCSBs will be entitled to a processing fee of ₹ 10.00 per Application Form for processing of the Application Forms procured by other Application Collecting Intermediary and submitted to them.

Selling commission payable to Registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Applicants and Non-Institutional Applicants, would be 0.001 % on the Allotment Amount# or ₹ 10.00 whichever is less on the Applications wherein shares are allotted.

The commissions and processing fees shall be payable within 30 working days post the date of receipt of final invoices of the respective intermediaries.

#Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price.

### Funds Deployed and Sources of Funds Deployed

Our Statutory Auditor, M/s. Gupta Agarwal & Associates., Chartered Accountants, vide their certificate dated August 27, 2021 have also confirmed that the amount ₹5.00 Lakh have been deployed so far towards the Object of the Issue and the same have been financed through internal sources.

Sl. No.	Particulars	Amount deployed (₹ in Lakh)
	<b>Issue Expenses</b>	
1.	Paid to Gretex Corporate Services Limited	5.00
	<b>Total</b>	<b>5.00</b>

### Sources of Financing for the Funds Deployed

Our Statutory Auditor, M/s. Gupta Agarwal & Associates, Chartered Accountants, vide their certificate dated August 27, 2021 have also confirmed the amount deployed so far towards part of the Issue expenses has been financed through internal sources.

Sl. No.	Particulars	Amount deployed (₹ in Lakh)
1.	Issue Expenses	5.00
	<b>Total</b>	<b>5.00</b>

### Appraisal by Appraising Fund

None of the Objects have been appraised by any bank or financial institution or any other independent third-party organization. The funding requirements of our Company and the deployment of the proceeds of the Issue are currently based on management estimates. The funding requirements of our Company are dependent on a number of factors which may not be in the control of our management, including variations in interest rate structures, changes in our financial condition and current commercial conditions and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

### Bridge Financing Facilities

As on the date of this Prospectus, we have not raised any bridge loans which are proposed to be repaid from the Net Proceeds. However, we may draw down such amounts, as may be required, from an overdraft arrangement/ cash credit facility with our lenders, to finance additional working capital needs until the completion of the Issue.

### Monitoring Utilization of Funds

As the size of the Fresh Issue does not exceed ₹10,000 Lakh, in terms of Regulation 262 of the SEBI (ICDR) Regulations, 2018, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee shall monitor the utilization of the Net Proceeds.

Pursuant to Regulation 32 of the SEBI (LODR) Regulation, 2015, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Net Proceeds. Until such time as any part of the Net Proceeds remains unutilized, our Company will disclose the utilization of the Net Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Net Proceeds have been utilized so far, and details of amounts out of the Net Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Net Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a Fiscal Year, we will utilize such unutilized amount in the next financial year. Further, in accordance with Regulation 32(1)(a) of the SEBI (LODR) Regulation, 2015 our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Net Proceeds for the objects stated in this Prospectus.

### Interim Use of Proceeds

Pending utilization of the Issue proceeds of the Issue for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act.

Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any listed Company or for any investment in the equity markets or investing in any real estate product or real estate linked products.

### Variation in Objects

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through a postal ballot. Further, pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on half- yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("Postal Ballot Notice") shall specify the prescribed details as required under the Companies Act. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Hindi, the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters will be required to provide an exit opportunity to such shareholders who do not agree to the above stated proposal, at a price as may be prescribed by SEBI, in this regard.

**Other Confirmations**

There are no material existing or anticipated transactions with our Promoters, our Directors, our Company's Key Managerial Personnel in relation to the utilization of the Net Proceeds. No part of the Net Proceeds will be paid by us as consideration to our Promoters, our Directors or Key Managerial Personnel except in the normal course of business and in compliance with the applicable laws.



## BASIS FOR ISSUE PRICE

*Investors should read the following summary with the chapter titled “Risk Factors”, the details about our Company under the chapter titled “Our Business” and its financial statements under the chapter titled “Financial Statements as Restated” beginning on pages 21, 94 and 175 respectively of the Prospectus. The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment.*

The Issue Price has been determined by the Company in consultation with the Lead Manager on the basis of the key business strengths of our Company. The face value of the Equity Shares is ₹10.00 each and the Issue Price is ₹ 78.00 which is 7.8 times of the face value.

## QUALITATIVE FACTORS

- Rich Management Experience
- Quality Service
- Progressive Employer
- Efficient business model
- Established brand and reputation in Highway O&M domain
- Visible growth through our growing Order Book
- Diversified Portfolio of Services offered
- Quality Service

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to chapter titled “*Our Business*” beginning on page 94 of this Prospectus.

## QUANTITATIVE FACTORS

Information presented in this section is derived from our Company’s restated financial statements prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

### Basic Earnings and Diluted Earnings per Equity Share (EPS) as per Accounting Standard 20

#### As per Restated Financial Statements (After Spilt & Pre-Bonus):

Period	Basic and Diluted EPS (in ₹)	Weight
March 31, 2019	28.79	1
March 31, 2020	82.25	2
March 31, 2021	48.94	3
<b>Weighted Average</b>	<b>56.69</b>	

#### As per Restated Financial Statements (After Spilt & Post-Bonus):

Period	Basic and Diluted EPS (in ₹)	Weight
March 31, 2019	1.80	1
March 31, 2020	5.14	2
March 31, 2021	3.06	3
<b>Weighted Average</b>	<b>3.54</b>	

**Note:** The earnings per share has been calculated by dividing the net profit as restated, attributable to equity shareholders by restated weighted average number of Equity Shares outstanding during the period. Restated weighted average number of equity shares has been computed as per AS 20. The face value of each Equity Share is ₹ 10.00.

**Price / Earnings Ratio (P/E) in relation to the Issue Price of ₹ 78.00 (After Split & Post-Bonus)**

Particulars	P/E Ratio
<b>Based on Restated Standalone Financial Statements</b>	
P/E ratio based on the Basic & Diluted EPS, as restated for FY 2020-21	25.49
P/E ratio based on the Weighted Average Basic & Diluted EPS, as restated	22.03

**Return on Net Worth****As per Restated Financial Statements:**

Period	RONW (%)	Weight
March 31, 2019	19.51	1
March 31, 2020	35.79	2
March 31, 2021	17.56	3
<b>Weighted Average</b>	<b>23.96</b>	

**Note:** The RONW has been computed by dividing net profit after tax (as restated), by Net worth (as restated) as at the end of the year.

**As per Restated Financial Statements:**

Minimum return on Post Issue Net Worth to maintain the Pre-Issue EPS (After Split & Post Bonus) for the year ended March 31, 2021 – 9.09%

**Net Asset Value (NAV) per Equity Share**

Sl. No.	Particulars	On the basis of Restated Standalone Financial Statements (₹)
a)	As on March 31, 2021 (After Split & Post Bonus)	17.42
b)	After Issue	33.68
c)	Issue Price	78.00

**Note:** NAV has been calculated as net worth divided by number of Equity Shares at the end of the year.

**Peer Group Comparison of Accounting Ratios:**

We believe that there is no listed Company which is specifically comparable to us w.r.t our business model, size and financials.

The face value of our share is ₹10.00 per share and the Issue Price is of ₹ 78.00 per share are 7.8 times of the face value.

The Company in consultation with the Lead Manager believes that the Issue Price of ₹ 78.00 per share for the Public Issue is justified in view of the above parameters. Investor should read the above mentioned information along with the chapter titled “**Risk Factors**” beginning on page 21 of this Prospectus and the financials of our Company including important profitability and return ratios, as set out in the chapter titled “**Financial Statements as Restated**” beginning on page 158 of this Prospectus.

## STATEMENT OF POSSIBLE TAX BENEFITS

To,  
The Board of Directors  
**MARKOLINES TRAFFIC CONTROLS LIMITED**  
501, A Wing, Shree Nand Dham,  
Sector 11, CBD Belapur,  
Navi Mumbai- 400614

Dear Sirs,

**Sub: Statement of possible special tax benefits (“the Statement”) available to MARKOLINES TRAFFIC CONTROLS LIMITED (“the Company”) and its shareholders prepared in accordance with the requirements in Point No. 9 (L) of Part A of Schedule VI of the Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations 2018, as amended (“the Regulations”)**

We hereby report that this certificate along with the annexure (hereinafter referred to as “**The Statement**”) states the possible special tax benefits available to the Company and the shareholders of the Company under the Income Tax Act, 1961 (‘IT Act’) (read with Income Tax Rules, Circulars and Notifications) as amended by the Finance Act, 2020 (i.e. applicable to F.Y. 2020-21 relevant to A.Y. 2021-22) (hereinafter referred to as the “IT Regulations”) and under the Goods And Service Tax Act, 2017 (read with Goods And Service Tax [GST] Rules, Circulars and Notifications), presently in force in India. The Statement has been prepared by the management of the Company in connection with the proposed Public Issue, which we have initialed for identification purposes only.

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the said relevant provisions of the tax laws and regulations applicable to the Company. Hence, the ability of the Company or its shareholders to derive the special tax benefits, if any, is dependent upon fulfilling such conditions which based on business imperatives which the Company may or may not choose to fulfill or face in the future.

The benefits discussed in the enclosed annexure cover only special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to the Company or its shareholders. Further, the Preparation of enclosed statement and the contents stated therein is not exhaustive and is the responsibility of the Company’s management. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. A shareholder is advised to consult his/ her/ its own tax consultant with respect to the tax implications arising out of his/her/its participation in the proposed issue, particularly in view of ever-changing tax laws in India. Further, we give no assurance that the income tax authorities/ other indirect tax authorities/courts will concur with our views expressed herein.

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

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

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

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

Our views are based on facts indicated to us, the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any such events subsequent, which may have a material effect on the discussions herein. Our views are exclusively for the limited use of the captioned Company in connection with its proposed public issue referred to herein above and shall not, without our prior written consent, be disclosed to any other person.

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

This certificate along with the annexure is provided solely for the purpose of assisting the addressee Company in discharging its responsibility under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 for inclusion in the Draft Prospectus/Prospectus in connection with the proposed issue of equity shares and is not to be used, referred to or distributed for any other purpose without our written consent.

**For Gupta Agarwal & Associates,  
Chartered Accountants,  
Firm Registration No.: 329001E**

**Jay Shanker Gupta  
Partner  
Membership No.: 059535  
UDIN: 21059535AAAAFZ7859**

**Date: August 27, 2021  
Place: Kolkata**

**ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO MARKOLINES TRAFFIC CONTROLS LIMITED ("THE COMPANY") AND IT'S SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA**

Outlined below are the possible special tax benefits available to the Company and its shareholders under the current direct tax laws in India for the financial year 2020-21. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

**1. Special Tax Benefits to the Company**

There are no Special tax benefits available to the Company.

**2. Special Tax Benefits available to the shareholders of the Company**

There are no Special tax benefits available to the shareholders of the Company.

**Notes:**

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
3. The above statement of possible special tax benefits are as per the current direct tax laws relevant for the F.Y.2020-21 relevant to A.Y. 2021-22.
4. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

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

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

**For Gupta Agarwal & Associates,  
Chartered Accountants,  
Firm Registration No.: 329001E**

**Jay Shanker Gupta  
Partner  
Membership No.: 059535  
UDIN: 21059535AAAAFZ7859**

**Date: August 27, 2021  
Place: Kolkata**

## SECTION VIII: ABOUT THE ISSUER COMPANY

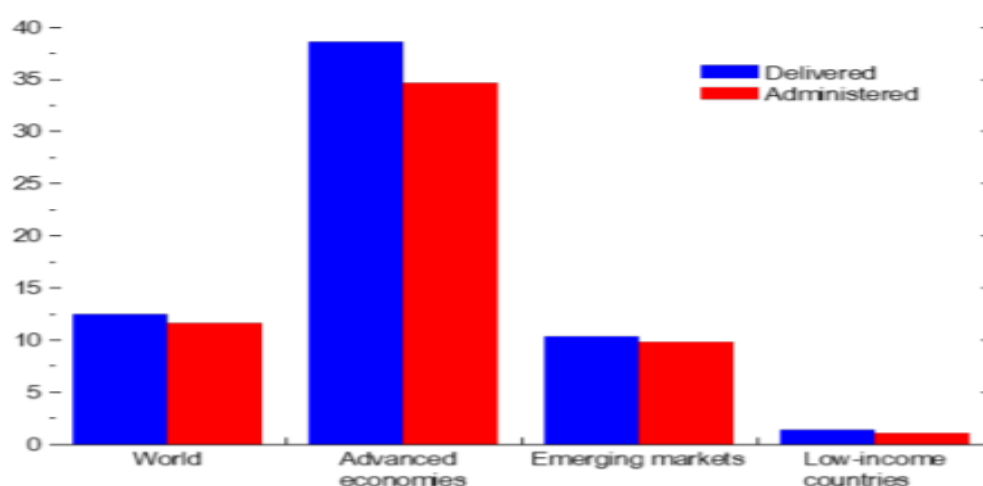
### OUR INDUSTRY

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

#### **GOLBAL ECONOMY AT LARGE**

The pandemic has taken a turn for the worse in some parts of the world since the release of the April 2021 WEO. Meanwhile, a speedy vaccine rollout has helped bring down caseloads quickly in other regions. Economies are diverging even further, influenced by differences in the pace of vaccine rollout and policy support. However, smooth and durable recoveries are not assured even in places where infections are seemingly under control. Vaccines: Close to 40 percent of the population in advanced economies has been fully vaccinated, compared with less than half that number in emerging market economies and a tiny fraction in low-income countries (Figure 1).

**Figure 1. Vaccine Courses**  
(Percent of population)



Sources: Airfinity; and IMF staff calculations.

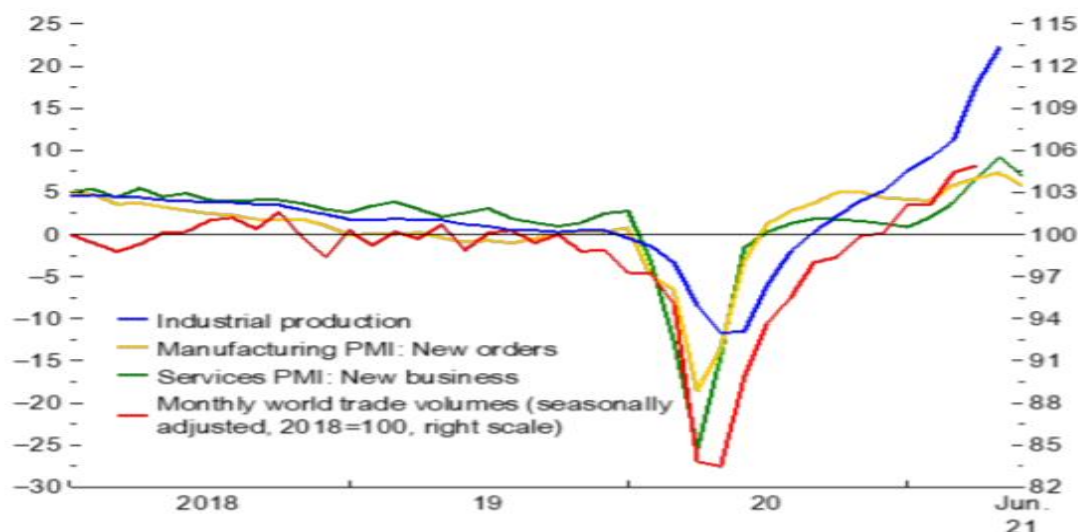
Note: Latest data available are for July 6, 2021. Bars show the ratio of vaccine courses needed for full vaccination (two doses generally, but one dose for Johnson & Johnson and CanSino) either delivered or administered to population by WEO economy group.

Vaccine access is the principal fault line along which the global recovery splits into two blocs: those that can look forward to further normalization of activity later this year (almost all advanced economies) and those that will still contend with prospects of resurgent infections and rising COVID death tolls. Sub-Saharan Africa is now in the grip of a third wave, parts of Latin America continue to see high levels of new deaths, and concerns still remain about the situation in parts of South and Southeast Asia. Policy support: Further fueling the divergence is the continued impact of sizable fiscal support in the United States and new measures in other advanced economies (including France, Germany, Italy, Korea, and the United Kingdom; see the Fiscal Monitor Database of Country Fiscal Measures in Response to the COVID-19 Pandemic). Many emerging market and developing economies on the other hand are looking to rebuild fiscal buffers. Some, including Brazil, Hungary, Mexico, Russia, and Turkey, have also begun normalizing monetary policy to head off upward price pressures. A patchy recovery shaped by new variants, aftershocks, and supply-demand mismatches: First-quarter GDP outturns overall surprised on the upside, notably in Asia and Latin America, while renewed lockdowns in Europe led to downside surprises. High-frequency data in the second quarter indicate the recovery is widening beyond manufacturing to services (Figure 2), especially in economies where infections are under better control.



**Figure 2. Global Activity Indicators**

(Three-month moving average, annualized percent change; deviations from 50 for PMIs, unless noted otherwise)



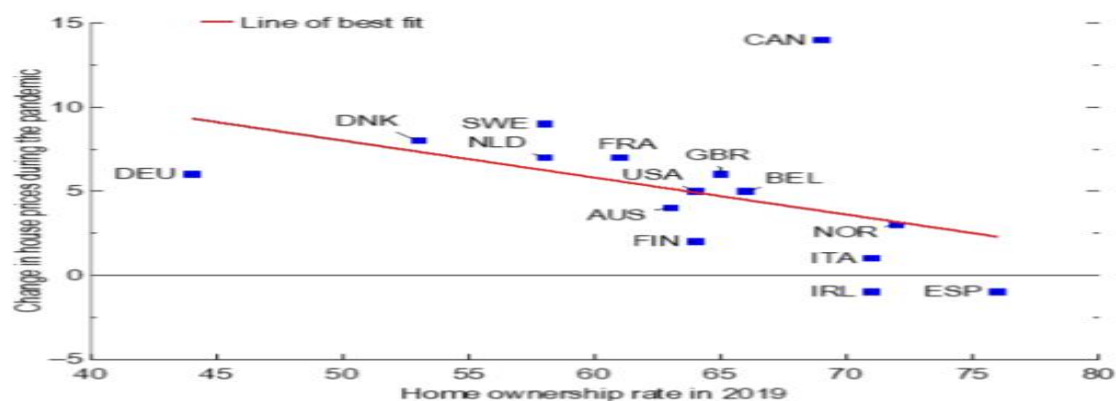
Sources: CPB Netherlands Bureau for Economic Policy Analysis; Haver Analytics; Markit Economics; and IMF staff estimates.

Note: PMI above 50 indicates expansion while below 50 indicates contraction. PMI = purchasing managers' index.

New variants: Steady recovery is not assured anywhere so long as segments of the population remain susceptible to the virus and its mutations. Recovery has been set back severely in countries that experienced renewed waves— notably India. The United Kingdom has had to delay the final step of its economic reopening because of the spread of the delta variant, even as the vaccine rollout had helped bring down hospitalizations. China's Guangdong province-imposed mobility restrictions in May following an outbreak after months of minimal new infections. Similarly, Australia reintroduced targeted lockdowns in June. Aftershocks: The unprecedented convulsion in the global economy last year continues to trigger aftershocks that weigh on the recovery in some parts of the world. Empty shipping containers have been stranded in less frequented ports alongside shortages on busier routes, contributing to increased delivery times for inputs reported in purchasing managers' surveys. Supply-demand mismatches: These likely transitory shortages have occurred amid shifting spending patterns, for instance toward housing and work-from-home electronics. Consistent with pandemic-induced rising demand for owner-occupied housing (possibly supported in some cases by generally low mortgage rates), house prices have risen more in places with lower pre-pandemic home ownership rates (Figure 3).

**Figure 3. House Price Acceleration and Pre-Pandemic Home Ownership Rates**

(Percent)



Sources: Mack and Martinez-Garcia (2011); Organisation for Economic Co-operation and Development; and IMF staff calculations.

Note: The change in real house price index is calculated between 2019:Q4 and 2020:Q4. The home ownership rate is the share of households owning a home (outright or with a mortgage) pre-pandemic (2019 or previous latest year available).

These shifting spending patterns and supply disruptions have generated shortages of components, such as microchips, creating bottlenecks for example in the automotive sector. Inflation pressure: The current spikes in annual inflation in part are the result of mechanical base effects from last year's low commodity prices. Moreover, prices have increased because of the likely transient supply-demand mismatches discussed above—container freight indices for example have risen significantly since mid-2020. Amid these challenges, financial conditions have remained generally supportive. Financial market sentiment has remained positive on balance given the expected global recovery. The overall picture from the most recent WEO has not changed materially despite a recent bout of volatility: buoyant equity markets, tight credit spreads, and healthy flows into emerging market hard currency funds. This constellation of asset prices continues to provide a generally positive lift to the baseline global outlook. Vaccines, therapies, and the pandemic: Local transmission of the virus is expected to be brought to low levels everywhere by the end of 2022 through a combination of better-targeted precautions and improved access to vaccines and therapies. Advanced economies are generally on track to achieve broad vaccine availability by summer 2021. Some emerging markets are assumed to get to that point later this year. Most countries are assumed to gain broad access by the end of 2022. Some countries will get to low levels of local transmission sooner than others depending on country-specific circumstances. The baseline nonetheless assumes the possibility of additional waves before vaccines are widely available.

- **Fiscal policy:** The forecast assumes additional fiscal support in the United States in line with the overall cumulative size of the current administration's proposed American Jobs Plan and American Families Plan. The baseline also incorporates expected Next Generation EU grants and loans into the forecasts for those economies. As noted in Box 2, fiscal deficits in most emerging markets are projected to decline in 2021.

- **Monetary policy:** Major central banks are assumed to leave policy rates unchanged throughout the forecast horizon (end of 2022). Some emerging market central banks have begun reducing support, and more are expected to follow suit later in 2021.

- **Rising commodity prices:** Commodity prices are expected to increase at a significantly faster pace than assumed in the April 2021 WEO. Amid the strengthening global recovery, oil prices are expected to rise close to 60 percent above their low base in 2020. Non-oil commodity prices are expected to rise close to 30 percent above 2020 levels, reflecting particularly strong increases in the price of metals and food. Handoff to private activity: The buildup of excess household savings over the past five quarters of subdued contact-intensive activity and travel is a key aspect of the unprecedented downturn and rebound. As savings tended to accumulate more in countries with larger above-the-line fiscal support to households, which buffered disposable incomes. As economies reopen, private spending is expected to pick up, financed in part by these savings. The speed at which these savings are drawn down will influence the pace of the recovery and inflation pressure. The forecast assumes a smooth handoff from extraordinary policy support to private-activity-led growth, with a gradual drawdown of excess savings. IMF staff analysis suggests a more substantial accumulation of savings in places with relatively lower pre-pandemic household saving rates, indicating some reversion to the mean and the rebuilding of household net worth, which would weigh on the immediate spending impulse. Global growth: The global economy is projected to grow 6.0 percent in 2021 and 4.9 percent in 2022 (Table 1). Although the 2021 forecast is unchanged from April, there are offsetting revisions across advanced economies and emerging market and developing economies reflecting differences in pandemic developments and policy shifts. The 0.5 percentage point upward revision for 2022 largely reflects anticipated additional fiscal support in the United States, with associated spillovers to the global economy.

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2021/07/27/world-economic-outlook-update-july-2021>)

## INDIAN ECONOMY

### Introduction

India has emerged as the fastest growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

### Market size

India's real gross domestic product (GDP) at current prices stood at Rs. 135.13 lakh crore (US\$ 1.82 trillion) in Y21, as per the provisional estimates of annual national income for 2020-21. India is the fourth-largest unicorn base in the world with over 21 unicorns collectively valued at US\$ 73.2 billion, as per the Hurun Global Unicorn List. By 2025, India is expected to have ~100 unicorns by 2025 and will create ~1.1 million direct jobs according to the Nasscom-Zinnov report 'Indian Tech Start-up. India needs to increase its rate of employment growth and create 90 million non-farm jobs between 2023 and 2030's, for productivity and economic growth according to McKinsey Global Institute. Net employment rate needs to grow by 1.5% per year from 2023 to 2030 to achieve 8-8.5% GDP growth between 2023 and 2030. According to data from the RBI, as of the week ended on June 04, 2021, the foreign exchange reserves in India increased by US\$ 6.842 billion to reach US\$ 605 billion.

## Recent Developments

With an improvement in the economic scenario, there have been investments across various sectors of the economy. Private Equity - Venture Capital (PE-VC) sector recorded investments worth US\$ 20 billion in the first five months of 2021, registering a 2x growth in value compared with the same period in 2020. Some of the important recent developments in Indian economy are as follows:

- Merchandise exports stood at US\$ 62.89 billion between April 2021 and May 2021, while imports touched US\$ 84.27 billion. The estimated value of service exports and imports between April 2021 and May 2021 stood at US\$ 35.39 billion and US\$ 19.86 billion, respectively.
- In May 2021, the Manufacturing Purchasing Managers' Index (PMI) in India stood at 50.8.
- Gross GST collections stood at Rs. 141,384 crore (US\$ 19.41 billion) in April 2021.
- Cumulative FDI equity inflows in India stood at US\$ 763.58 billion between April 2000 and March 2021. Foreign Direct Investment (FDI) inflows in India stood at US\$ 6.24 billion in April 2021, registering an increase of 38% YoY.
- India's Index of Industrial Production (IIP) for April 2021 stood at 126.6 against 143.4 for March 2021.
- Consumer Food Price Index (CFPI) – Combined inflation was 5.01 in May 2021 against 1.96 in April 2021.
- Consumer Price Index (CPI) – Combined inflation was 6.30 in May 2021 against 4.23 in April 2021.
- In June 2021, foreign portfolio investors (FPIs) turned net buyers by investing Rs. 12,714 crore (US\$ 1.71 billion) into the Indian markets. According to depositories data, between June 1, 2021 and June 25, 2021, FPIs invested Rs. 15,282 crore (US\$ 2.06 billion) in equities.

## Government Initiatives

The first Union Budget of the third decade of 21st century was presented by Minister for Finance & Corporate Affairs, Ms. Nirmala Sitharaman in the Parliament on February 1, 2020. The budget aimed at energising the Indian economy through a combination of short-term, medium-term and long-term measures.

In the Union Budget 2021-22, capital expenditure for FY22 is likely to increase to increase by 34.5% at Rs. 5.5 lakh crore (US\$ 75.81 billion) over FY21 (BE) to boost the economy. Increased government expenditure is expected to attract private investments, with production-linked incentive scheme providing excellent opportunities. Consistently proactive, graded and measured policy support is anticipated to boost the Indian economy. In May 2021, the government approved the production linked incentive (PLI) scheme for manufacturing advanced chemistry cell (ACC) batteries at an estimated outlay of Rs. 18,100 crore (US\$ 2.44 billion); this move is expected to attract domestic and foreign investments worth Rs. 45,000 crore (US\$ 6.07 billion).

The Union Cabinet approved the production linked incentive (PLI) scheme for white goods (air conditioners and LED lights) with a budgetary outlay of Rs. 6,238 crore (US\$ 848.96 million) and the 'National Programme on High Efficiency Solar PV (Photo Voltic) Modules' with an outlay of Rs. 4,500 crore US\$ 612.43 million). In June 2021, the RBI (Reserve Bank of India) announced that the investment limit for FPI (foreign portfolio investors) in the State Development Loans (SDLs) and government securities (G-secs) would persist unaffected at 2% and 6%, respectively, in FY22. To boost the overall audit quality, transparency and add value to businesses, in April 2021, the RBI issued a notice on new norms to appoint statutory and central auditors for commercial banks, large urban co-operatives and large non-banks and housing finance firms.

In May 2021, the Government of India has allocated Rs. 2,250 crore (US\$ 306.80 million) for development of the horticulture sector in 2021-22. In November 2020, the Government of India announced Rs. 2.65 lakh crore (US\$ 36 billion) stimulus package to generate job opportunities and provide liquidity support to various sectors such as tourism, aviation, construction and housing. Also, India's cabinet approved the production-linked incentives (PLI) scheme to provide ~Rs. 2 trillion (US\$ 27 billion) over five years to create jobs and boost production in the country. Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Mr. Narendra Modi, Prime Minister of India, launched Make in India initiative with an aim to boost country's manufacturing sector and increase purchasing power of an average Indian consumer, which would further drive demand and spur development, thus benefiting investors. The Government of India, under its Make in India initiative, is trying to boost the

contribution made by the manufacturing sector with an aim to take it to 25% of the GDP from the current 17%. Besides, the Government has also come up with Digital India initiative, which focuses on three core components: creation of digital infrastructure, delivering services digitally and to increase the digital literacy.

Some of the recent initiatives and developments undertaken by the Government are listed below:

- In June 2021, RBI Governor, Mr. Shaktikanta Das announced the policy repo rate unchanged at 4%. He also announced various measures including Rs. 15,000 crore (US\$ 2.05 billion) liquidity support to contact-intensive sectors such as tourism and hospitality.
- In June 2021, Finance Ministers of G-7 countries, including the US, the UK, Japan, Italy, Germany, France and Canada, attained a historic contract on taxing multinational firms as per which the minimum global tax rate would be at least 15%. The move is expected to benefit India to increase foreign direct investments in the country.
- In June 2021, the Indian government signed a US\$ 32 million loan with World Bank for improving healthcare services in Mizoram.
- In May 2021, the Government of India (GoI) and European Investment Bank (EIB) signed the finance contract for second tranche of EUR 150 million (US\$ 182.30 million) for Pune Metro Rail project.
- According to an official source, as of June 2021, 29 companies including global electronics manufacturing organisations, such as companies Foxconn, Sanmina SCI, Flex, Jabil Circuit, have registered under the Rs. 12,195 crore (US\$ 1.64 billion) production linked incentive scheme for the telecom sector.
- In May 2021, Union Cabinet has approved the signing of memorandum of understanding (MoU) on migration and mobility partnership between the Government of India, the United Kingdom of Great Britain and Northern Ireland.
- In April 2021, Minister for Railways and Commerce & Industry and Consumer Affairs, Food & Public Distribution, Mr. Piyush Goyal, launched 'DGFT Trade Facilitation' app to provide instant access to exporters/importers anytime and anywhere.
- In April 2021, Dr. Ahmed Abdul Rahman AlBanna, Ambassador of the UAE to India and Founding Patron of IFIICC, stated that trilateral trade between India, the UAE and Israel is expected to reach US\$ 110 billion by 2030.
- India is expected to attract investment of around US\$ 100 billion in developing the oil and gas infrastructure during 2019-23.
- The Government of India is going to increase public health spending to 2.5% of the GDP by 2025.
- For implementation of Agriculture Export Policy, Government approved an outlay Rs. 2.068 billion (US\$ 29.59 million) for 2019, aimed at doubling farmers income by 2022.

## Road Ahead

As indicated by provisional estimates released by the National Statistical Office (NSO), India posted a V-shaped recovery in the second half of FY21. As per these estimates, India registered an increase of 1.1% in the second half of FY21; this was driven by the gradual and phased unlocking of industrial activities, increased investments and growth in government expenditure. As per the Reserve Bank of India's (RBI) estimates, India's real GDP growth is projected at 9.5% in FY22; this includes 18.5% increase in the first quarter of FY22; 7.9% growth in the second quarter of FY22; 7.2% rise in the third quarter of FY22 and 6.6% growth in the fourth quarter of FY22. India is focusing on renewable sources to generate energy. It is planning to achieve 40% of its energy from non-fossil sources by 2030, which is currently 30% and have plans to increase its renewable energy capacity from 175 gigawatt (GW) by 2022. In line with this, in May 2021, India, along with the UK, jointly launched a 'Roadmap 2030' to collaborate and combat climate change by 2030. India is expected to be the third largest consumer economy as its consumption may triple to US\$ 4 trillion by 2025, owing to shift in consumer behaviour and expenditure pattern, according to a Boston Consulting Group (BCG) report. It is estimated to surpass USA to become the second largest economy in terms of purchasing power parity (PPP) by 2040 as per a report by PricewaterhouseCoopers.

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



## INDIAN INFRASTRUCTURE SECTOR IN INDIA

### Introduction

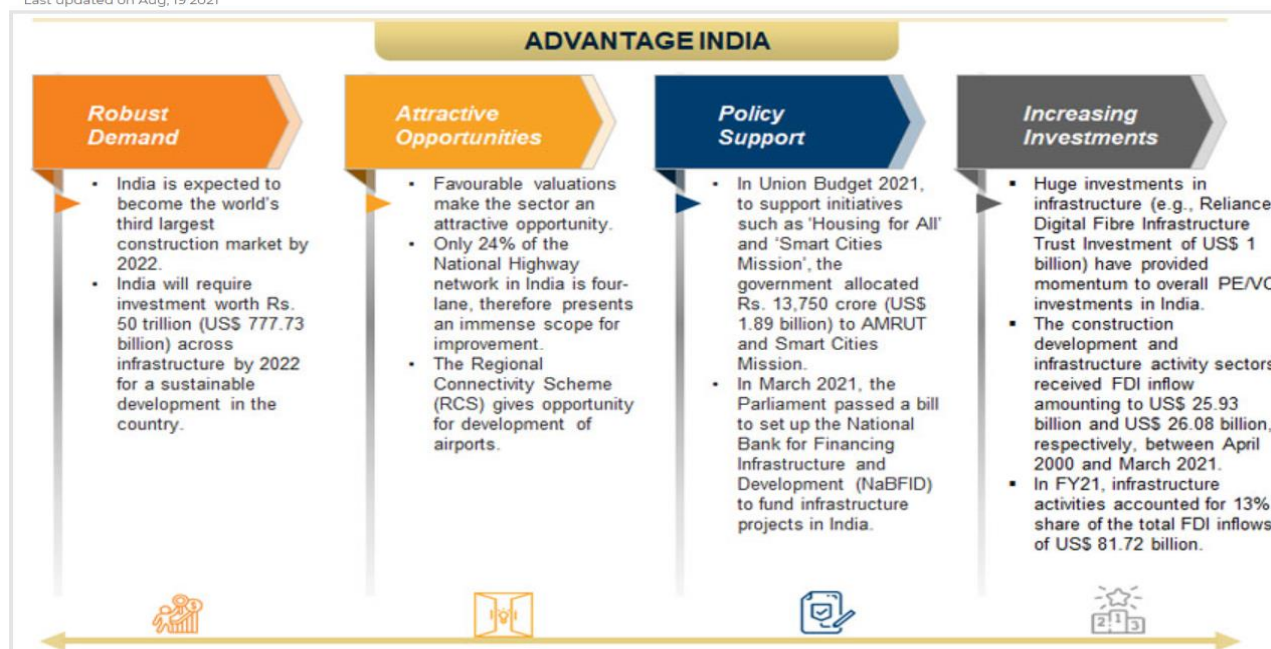
Infrastructure sector is a key driver for the Indian economy. The sector is highly responsible for propelling India's overall development and enjoys intense focus from Government for initiating policies that would ensure time-bound creation of world class infrastructure in the country. Infrastructure sector includes power, bridges, dams, roads, and urban infrastructure development.

### Market Size

According to the Department for Promotion of Industry and Internal Trade (DPIIT), FDIs in the construction development sector (townships, housing, built up infrastructure and construction development projects) and construction (infrastructure) activities stood at US\$ 26.08 billion and US\$ 24.72 billion, respectively, between April 2000 and March 2021. In FY21, infrastructure activities accounted for 13% share of the total FDI inflows of US\$ 81.72 billion.

### Infrastructure Sector in India

Last updated on Aug, 19 2021



### Government Initiatives

In Union Budget 2021, the government has given a massive push to the infrastructure sector by allocating Rs. 233,083 crore (US\$ 32.02 billion) to enhance the transport infrastructure. The government expanded the 'National Infrastructure Pipeline (NIP)' to 7,400 projects. ~217 projects worth Rs. 1.10 lakh crore (US\$ 15.09 billion) were completed as of 2020. The key highlights of the Budget 2021 are as follows:

- In June 2021, the NTPC floated a global Expression of Interest (EOI) to set up two pilot projects for standalone fuel cell-based backup power system and a standalone fuel cell-based microgrid system with hydrogen production using electrolyser at NTPC premises. Through the projects, NTPC is looking to further strengthen its footprint in green and clean fuel. The NTPC will collaborate for implementation and further commercialisation of the projects.
- In May 2021, Minister for Road Transport & Highways and Micro, Small and Medium Enterprises, Mr. Nitin Gadkari stated that the government is giving utmost priority to infrastructure development and has set a target of road construction of worth Rs.15 lakh crore (US\$ 206 billion) in the next two years.
- The Ministry of Railways plans to monetize assets including Eastern and Western Dedicated Freight Corridors after commissioning, induction of 150 modern rakes through PPP, station redevelopment through PPP, railway land parcels, multifunctional complexes (MFC), railway colonies, hill railways and stadiums.

- In March 2021, the government announced a long-term US\$ 82 billion plan to invest in the country's seaports. ~574 projects have been identified, under the Sagarmala project, for implementation through 2035.
- In April 2021, the Ministry of Power (MoP) released the draft National Electricity Policy (NEP) 2021. The MoP created an expert committee including members from state governments, the Ministry of New and Renewable Energy (MNRE), NITI Aayog and the Central Electricity Authority (CEA).
- In March 2021, the Parliament passed a bill to set up the National Bank for Financing Infrastructure and Development (NaBFID) to fund infrastructure projects in India.
- Indian railways received Rs. 1,10,055 crore (US\$ 15.09 billion), of which Rs. 1,07,100 crore (US\$ 14.69 billion) is for capital expenditure.
- Rs. 1,18,101 crore (US\$ 16.20 billion) has been allocated towards road transport and highway sector.
- In Budget 2021, the government announced the following interventions under Pradhan Mantri Aatmanirbhar Swasth Bharat Yojana (PMANSY):
  - An outlay of Rs. 64,180 crore (US\$ 8.80 billion) over six years to strengthen the existing 'National Health Mission' by developing capacities of primary, secondary & tertiary care and healthcare systems & institutions to detect and cure new and emerging diseases.
  - This scheme will strengthen 17,000 rural and 11,000 urban health and wellness centres.
  - Setting up integrated public health labs in all districts and 3,382 block public health units in 11 states.
  - Establishing critical care hospital blocks in 602 districts and 12 central institutions.
  - Strengthening the NCDC (National Centre for Disease Control) to have five regional branches and 20 metropolitan health surveillance units.
  - Expanding integrated health information portal to all states/UTs.
  - Rolling out the pneumococcal vaccine, a 'Made in India' product, across the country.
  - Rs. 35,000 crore (US\$ 4.80 billion) has been allocated for COVID-19 vaccines in FY22.
  - The government announced Rs. 18,998 crore (US\$ 2.61 billion) for metro projects.
  - Mega Investment Textiles Parks (MITRA) scheme was launched to establish world-class infrastructure in the textile sector and establish seven textile parks over three years.
  - The government announced Rs. 305,984 crore (US\$ 42 billion) over the next five years for a revamped, reforms-based and result-linked new power distribution sector scheme.

## Road Ahead

The infrastructure sector has become the biggest focus area for the Government of India. India plans to spend US\$ 1.4 trillion on infrastructure during 2019-23 to have a sustainable development of the country. The Government has suggested investment of Rs. 5,000,000 crore (US\$ 750 billion) for railways infrastructure from 2018-30. India and Japan have joined hands for infrastructure development in India's Northeast states and are also setting up an India-Japan Coordination Forum for Development of Northeast to undertake strategic infrastructure projects for the region.

**Note:** Conversion rate used for June 2021 is Rs. 1 = US\$ 0.01355

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



## INDIAN ROAD INDUSTRY

### Introduction

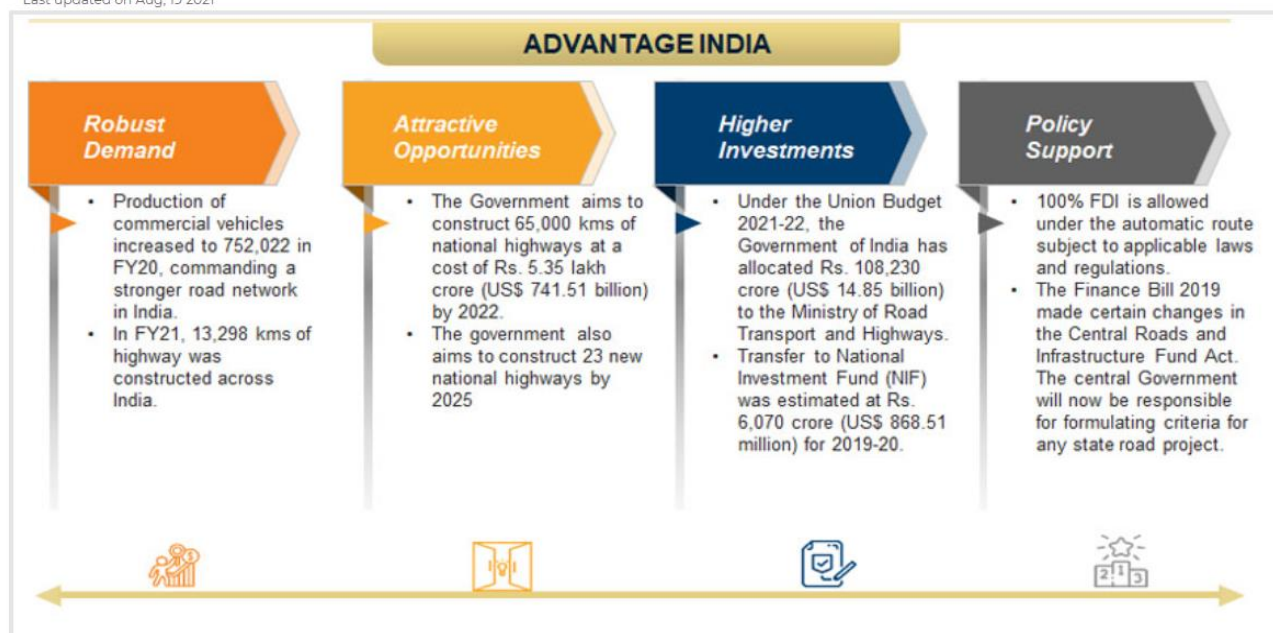
India has the second-largest road network in the world, spanning a total of 5.89 million kilometres (kms). This road network transports 64.5% of all goods in the country and 90% of India's total passenger traffic uses road network to commute. Road transportation has gradually increased over the years with improvement in connectivity between cities, towns and villages in the country. In India, sale of automobiles and movement of freight by roads is growing at a rapid rate.

### Market Size

Highway construction in India increased at 17.00% CAGR between FY16-FY21. Despite pandemic and lockdown, India has constructed 13,298 km of highways in FY21. In FY21, 13,298 kms of highway was constructed across India. In May 2021, the Ministry of Road Transport and Highways constructed 1,470 kms of national highways compared with 847 kms in May 2020. In October 2020, the foundation stone was established for nine National Highway projects—with a total length of ~262 kms—worth >Rs. 2752 crore (US\$ 371.13 million) in Tripura. The Government of India has allocated Rs. 111 lakh crore (US\$ 1.4 trillion) under the National Infrastructure Pipeline for FY 2019-25. The roads sector is likely to account for 18% capital expenditure over FY 2019-25. In October 2020, The National Investment and Infrastructure Fund (NIIF) is making progress towards integrating its road and highway portfolio. The NIIF has acquired Essel Devanahalli Tollway and Essel Dichpally Tollway through the NIIF master fund. These road infra-projects will be supported by Athaang Infrastructure, NIIF's proprietary road network, assisted by a team of established professionals with diverse domain expertise in the transport field.

### Road Infrastructure in India

Last updated on Aug, 19 2021



### Key Investments/Developments

The Union Minister of State for Road, Transport and Shipping has stated that the Government aims to boost corporate investment in roads and shipping sector, along with introducing business-friendly strategies, that will balance profitability with effective project execution. According to the data released by Department for Promotion of Industry and Internal Trade Policy (DPIIT), construction development^ sector attracted Foreign Direct Investment (FDI) inflow worth US\$ 26.08 billion in the between April 2000 and March 2021.

### Government Initiatives

Some of the recent Government initiatives are as follows:

- Under Phase-I of Bharatmala Pariyojana, the Ministry has approved implementation of 34,800 km of national highways in 5 years with an outlay of Rs. 5,35,000 crore (US\$ 76.55 billion). Under this scheme, 22 greenfield projects (8,000 kms length) are being constructed; this is worth Rs. 3.26 lakh crore (US\$ 43.94 billion).

- The government also aims to construct 23 new national highways by 2025.
- The Minister for Road Transport & Highways and Micro, Small and Medium Enterprises, Mr. Nitin Gadkari, is targeting to construct 40 kms per day in FY22.
- In April 2021, the NHAI has decided to deploy Network Survey Vehicle (NSV) to enhance quality of the national highways. Carrying out road condition survey using NSV on the national highways was made mandatory for certifying completion of the project and every six months thereafter.
- In March 2021, the Mizoram-Myanmar Road project, which was launched under SARDP-NE, completed 92% work and is scheduled to be completed by June 2021.
- Under the Union Budget 2021-22, the Government of India has allocated Rs. 108,230 crore (US\$ 14.85 billion) to the Ministry of Road Transport and Highways.
- The NHAI awarded 1,330 km of highways in the first half of FY21, which was 1.6x of the total awards in FY20 and 3.5x of the FY19-levels. NHAI, the nodal authority for building highways across the country, has set a target of awarding 4,500km of projects in FY21.
- In February 2021, The Minister for MSMEs and Road Transport & Highways Mr. Nitin Gadkari approved construction of the 158-kms ring road worth Rs 10,000 crore (US\$ 1.37) in Telangana.
- In January 2021, the Government of India and New Development Bank (NDB) signed two loan agreements for US\$ 646 million for upgrading the state highway network and district road network in Andhra Pradesh.
- In December 2020, the MoRTH proposed to develop additional 60,000 kms of national highways (in the next five years), of which 2,500 kms are expressways/access-controlled highways, 9,000 kms are economic corridors, 2,000 kms are coastal and port connectivity highways and 2,000 kms are border road/strategic highways. The ministry also intends to improve connectivity for 100 tourist destinations and construct bypasses for 45 towns/cities.
- In December 2020, Mr. Nitin Gadkari, Union Minister of Road Transport and Highways inaugurated the three lane 1.5 km long Koilwar bridge over Sone River in Bihar.
- In December 2020, Union Minister of Road Transport and Highways, Mr. Nitin Gadkari laid foundation stones for 15 National Highways projects with a total length of 266 km, worth Rs. 4,127 crore (US\$ 560.88 million) in Nagaland.
- In December 2020, the Ministry of Road Transport and Highways signed a memorandum of understanding (MoU) with the Federal Ministry of Climate Action, Environment, Energy, Mobility, Innovation and Technology of the Republic of Austria on technology cooperation in the road infrastructure sector.
- In November 2020, Ministry of Road Transport and Highways issued the 'Motor Vehicle Aggregator Guidelines 2020' to regulate shared mobility and reduce traffic congestion and pollution.
- In November 2020, Union Minister of Road Transport and Highways, Mr. Nitin Gadkari announced a large financial relief package and released Rs. 8,000 crore (US\$ 1.08 billion) to meet the working capital requirements of contractors.

### Road Ahead

The Government, through a series of initiatives, is working on policies to attract significant investor interest. A total of 200,000 km of national highways is expected to be completed by 2022. In the next five years, National Highway Authority of India (NHAI) will be able to generate Rs. 1 lakh crore (US\$ 14.30 billion) annually from toll and other sources.

**Note:** Conversion rate used for June 2021 is Rs. 1 = US\$ 0.01355

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

The sudden hit of COVID 19 pandemic impacted countries and economies all around the world. The pandemic induced lockdown resulted in an accumulation of a lot of projects which impacted their on-time completion and cost as well. Although, now businesses have devised new ways of working amidst the pandemic. The government is also working swiftly to turn the looming economy around by introducing initiatives and announcements for infrastructure and MSME sector. According to Government reports, with an average speed of 29.81 km per day, the construction of national highways during 2020-2021 was the highest ever in the last five years despite the Covid-19 crisis and months of lockdown. The total length of National Highway construction up to February 5, 2021 was 9,242 km.

Adding to the ongoing flow of roads and highways projects, this year's budget focused immensely on strengthening the infrastructure sector. The government's effort towards further enhancing the roads and highways projects to 7,400 new projects is a welcome step which will ensure a better year for the infrastructure sector as well as for the construction equipment industry. The multitude of announcements on the highway projects in Tamil Nadu, Kerala, West Bengal and Assam will further give a much-needed boost to the sector. The Minister of Road Transport and Highways Nitin Gadkari has also set the target for 2026 and planned to expand around 60,000 km of National Highways (NHs) in the next five years. Additionally, Ind-Ra and ICRA has revised its outlook on the construction equipment sector to 'Stable' from 'Negative' following a strong ramp up in volumes.

The Off-Highway Research predicts that the availability of the Covid vaccine is expected to push the recovery rate further in 2021. Sales of road construction equipment will increase by 25 per cent to 76,375 units in 2021 and a further 16 per cent to 88,700 units in 2022. The construction market is forecast to touch 100,300 units in 2023 with a growth of 13 per cent. Another factor that will add to the growth of the road equipment industry in 2021 is technology. Technological elements like Virtual Reality, AI security and BIM are making a major impact on construction equipment productivity and efficiency. It has become necessary for every construction equipment manufacturer to equip their machines with the latest and advanced technology to make the workflow easy and resourceful. According to McKinsey, the use of innovative technologies is bolstering the construction industry with advancements such as pulsed radar object detection, drones, radio frequency identification (RFID), prefabrication, smart wearables, 3D printing, immersive solutions (VR/AR, Internet of Things (IoT) and smart materials. By harnessing industry 4.0 tools like IoT, AI and automation, processes will see 30 to 50% reduction in machine downtime; 15 – 30% improvement in labor productivity; 10 to 30% increase in throughput; and 10 to 20% decrease in the cost of quality. These advantages are important as full-scale digitization in construction could result in annual savings of between \$700 trillion and \$1.2 trillion. With the government focusing on construction and infrastructure activities we're confident that this year will be great for the CE segment. Keeping all the above initiatives in mind, the outlook for construction and infrastructure seems positive and all these efforts will play an important role in reviving the sector and bringing back the economy to normalcy.

(Source: <https://info.cccr.in/roads-and-pavements-sector-in-2021-a-report/>)

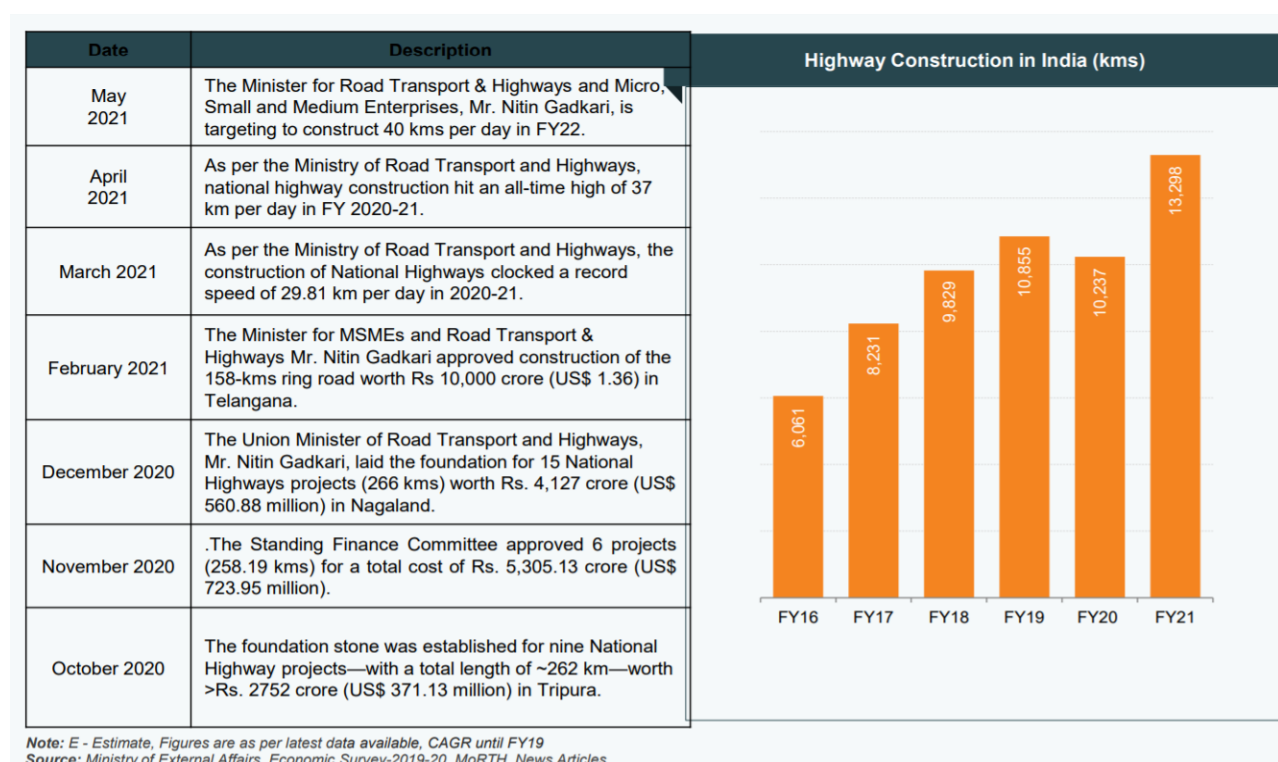
India has the second-largest road network in the world, spanning over 5.8 million kms. Over 64.5% of all goods in the country are transported through roads, while 90% of the total passenger traffic uses road network to commute. Under the Union Budget 2021-22, the Government of India has allocated Rs. 108,230 crore (US\$ 14.85 billion) to the Ministry of Road Transport and Highways.

- The Government of India has allocated Rs. 111 lakh crore (US\$ 13.14 billion) under the National Infrastructure Pipeline for FY 2019-25. The Roads sector is expected to account for 18% capital expenditure over FY 2019-25. In FY22, investments worth Rs. 30,000 crore (US\$ 4.08 billion) are expected from the private sector.
- As on December 2019, 824 projects were recommended for development by Public Private Partnership (PPP) Appraisal Committee.
- Investment of US\$ 31 billion for national highways is expected in PPP by the end of 2020. Indian Government and Asian Development Bank signed US\$ 500 million loan agreement to build the longest bridge across river Ganga, in Bihar. The bridge is expected to be ready by December 2021.
- In January 2021, the Government of India and New Development Bank (NDB) signed two loan agreements for US\$ 646 million for upgrading the state highway network and district road network in Andhra Pradesh. NHAI is planning to raise Rs. 40,000 crore (US\$ 5.72 billion) to monetise its highway assets through Infrastructure Investment Trust (InvIT). National highways under the Bharatmala Pariyojana programme aim to optimize the productivity of freight and passenger movement by filling the critical infrastructure gaps. It will also work to increase the number of districts with national highway linkages from 300 to 550.
- In December 2020, the MoRTH proposed to develop additional 60,000 kms of national highways (in the next five years). The ministry also intends to improve connectivity for 100 tourist destinations and construct bypasses for 45 towns/cities.

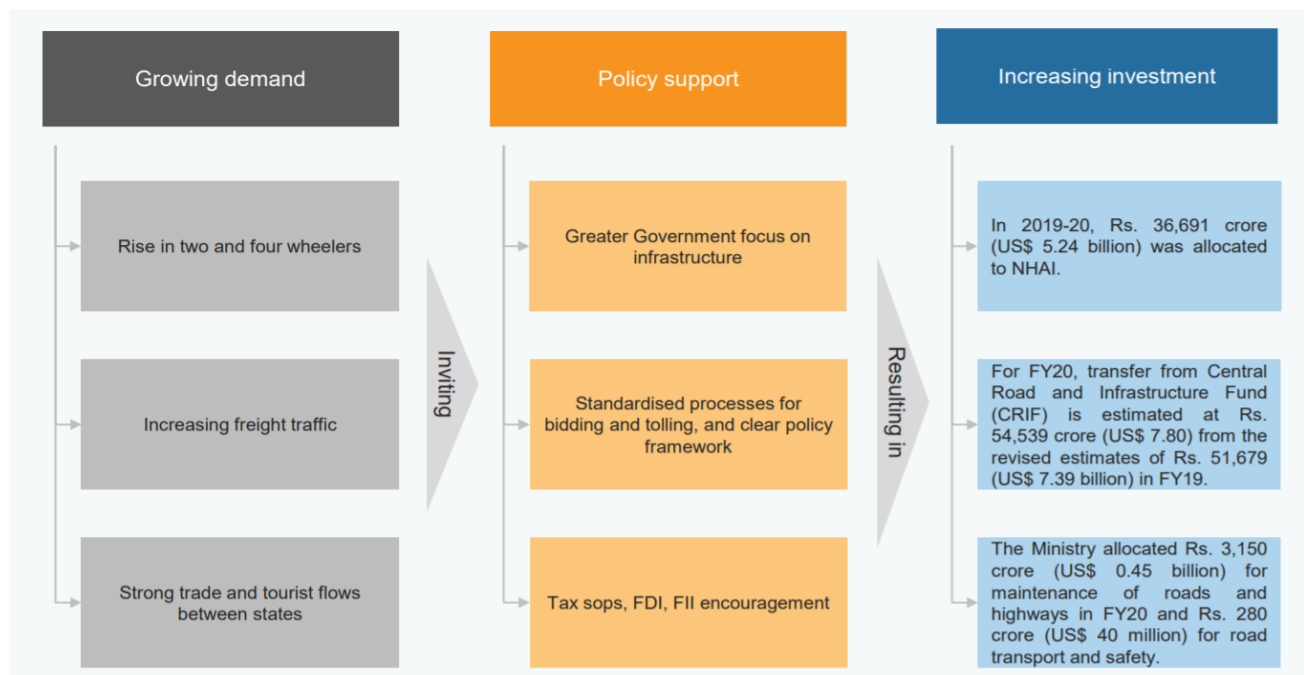
- By April 2021, the Ministry of Road Transport and Highways constructed 853 kms of national highways compared with 210 kms in April 2020.

India has joined the league of 15 of global alliance which will work towards the ethical use of smart city technologies. The Government aims to construct 65,000 kms of national highways at a cost of Rs. 5.35 lakh crore (US\$ 741.51 billion) by 2022. The government also aims to construct 23 new national highways by 2025. Road building in India is second least expensive in Asia. Production of commercial vehicles increased to 752,022 in FY20 from FY16 at a CAGR of 2.42% commands stronger road network in India. In FY21, 13,298 kms of highway was constructed across India. In November 2020, passenger vehicle wholesale expanded by 9%, compared with the same month last year, due to increased demand in the festive season. Financial institutions received Government approval to raise money through tax-free bonds. 100% FDI is allowed under automatic route subject to applicable laws and regulations. The Finance Bill 2019 made certain changes in the Central Roads and Infrastructure Fund Act. The central Government will now be responsible for formulating criteria for any state road project. Growing participation of PPP. Under the Union Budget 2021-22, the Government of India has allocated Rs. 108,230 crore (US\$ 14.85 billion) to the Ministry of Road Transport and Highways. Transfer to National Investment Fund (NIF) was estimated at Rs. 6,070 crore (US\$ 868.51 million) for 2019-20.

	Total Roads	State highways	National highways	Other roads
<b>Total Length</b>	6,215,797 kms)	176,818 kms	136,440 kms	5,902,539 kms
<b>Share in total roads in India</b>	100%	3% of the total roads in India	2% of the total roads in India	95% of the total roads in India

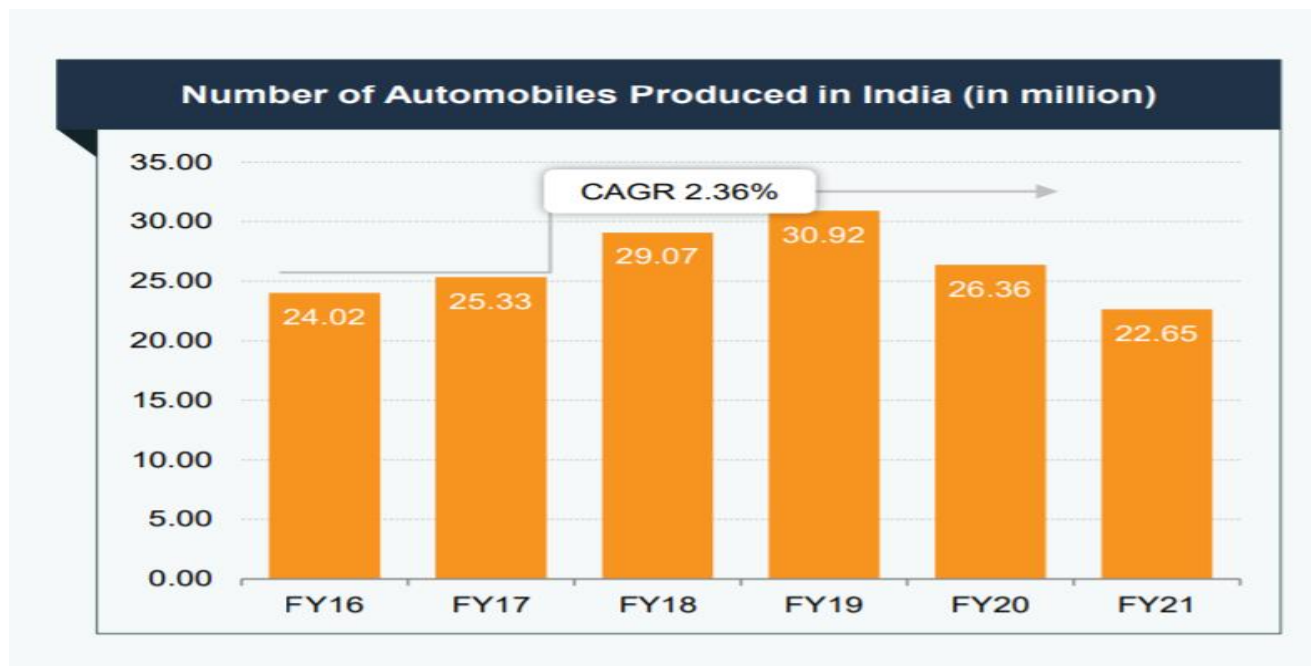


### **STRONG DEMAND AND POLICY SUPPORT DRIVING INVESTMENT**



### **RISING TRADE, VEHICULAR PRODUCTION**

Growing domestic trade flows have led to rise in commercial vehicles and freight movement; supported by rise in production of commercial vehicles. In April 2021, automobile production (passenger, three-wheeler and two-wheeler vehicles and quadricycle) was 1.88 million. Higher individual discretionary spending has led to increased spending on cars, motorbikes and scooters. In FY21, domestic automobile sales (passenger, three-wheeler and two-wheeler vehicles) stood at 18.61 million.



### **GOVERNMENT'S INITIATIVES**

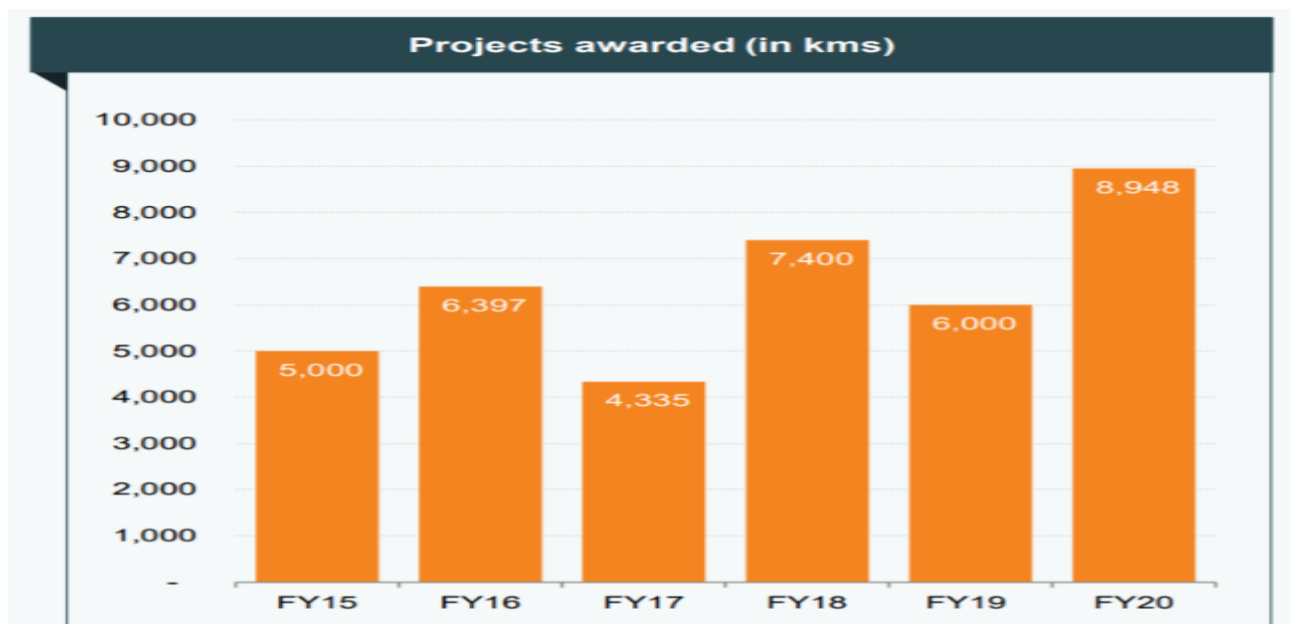
Under the Union Budget 2020-21, the Government of India has allocated Rs. 19,500 crore (US\$ 2.79 billion) for Pradhan Mantri Gram Sadak Yojana (PMGSY).



- As per the Union Budget 2019-20, 30,000 km of PMGSY roads were built using green technology, waste plastic and cold mix technology, thereby reducing carbon footprint. In October 2020, a memorandum of understanding (MoU) has been signed with the National Highways Authority of India (NHAI) by Guru Nanak Dev University (GNDU) to conduct advanced research on various aspects, including highway architecture, protection and revitalisation. The GNDU will undertake studies on ~137 km length of the National Highways passing through Pathankot, Gurdaspur and Amritsar districts. In October 2020, the National Investment and Infrastructure Fund (NIIF) is making progress towards integrating its road and highway portfolio. The NIIF has acquired Essel Devanahalli Tollway and Essel Dichpally Tollway through the NIIF master fund. These road infraprojects will be supported by Athaang Infrastructure, NIIF's proprietary road network, assisted by a team of established professionals with diverse domain expertise in the transport field. Government of India has set up the India Infrastructure Finance Company (IIFCL) to provide long-term funding for infrastructure projects.
- Interest payment on external commercial borrowings for infrastructure are now subject to a lower withholding tax of 5% vis-a-vis 20% earlier.
- IDF income is exempt from income tax. In December 2020, the Ministry of Road Transport and Highways signed an MoU with the Federal Ministry of Climate Action, Environment, Energy, Mobility, Innovation and Technology of the Republic of Austria on technology cooperation in the road infrastructure sector. Companies enjoy 100% tax exemption in road projects for 5 years and 30% relief over the next 5 years.
- Companies have been granted a capital of up to 40% of the total project cost to enhance viability.

### **FUTURE PROSPECTS REMAIN BRIGHT FOR THE ROAD SECTOR**

The Ministry of Road Transport and Highways is expected to award road projects with a total length of around 4,500 kms worth Rs. 50,000 crore (US\$ 7.15 billion) in 2020. In November 2020, the Government of India and the New Development Bank signed a loan agreement for US\$ 500 million for the 'Delhi-Ghaziabad-Meerut Regional Rapid Transit System Project' to provide fast, reliable, safe and comfortable public transport system in the National Capital Region. In December 2020, the Ministry of Road Transport and Highways (MoRTH) announced that the Government of India and the World Bank have inked a pact for a US\$ 500-million project to build green national highway corridors in Rajasthan, Himachal Pradesh, Uttar Pradesh and Andhra Pradesh. In December 2020, the MoRTH proposed to develop additional 60,000 kms of national highways (in the next five years), of which 2,500 kms are expressways/access-controlled highways, 9,000 kms are economic corridors, 2,000 kms are for coastal and port connectivity highways and 2,000 kms are border road/strategic highways. The ministry also intends to improve connectivity for 100 tourist destinations and construct bypasses for 45 towns/cities.



In January 2021, the MoRTH announced that it has constructed 8,169 kms of national highways between April 2020 and January 2021 and aims to complete 11,000 kms of national highways by end-FY21. In January 2021, the Government of India approved Rs. 8,528 crore for national highway projects in Maharashtra. The NHAI awarded highway projects (extending 1,330 kms) in the first half of FY21. This was 1.6x of the total awards in FY20 and 3.5x of the FY19-levels. NHAI, the nodal authority for building highways across the country, has set a target of awarding projects (up to 4,500 kms) in FY21. In April 2021, the NHAI has decided to deploy Network Survey Vehicle (NSV) to enhance quality of the national



highways. Carrying out road condition survey using NSV on the national highways was made mandatory for certifying completion of the project and every six months thereafter.

Source: <https://www.ibef.org/industry/roads-india.aspx>, <https://www.ibef.org/download/Roads-June-2021.pdf>

## INDIAN SERVICES INDUSTRY

### Introduction

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

### Market Size

Share of the services sector accounted for 55.39% of the total GVA in FY21. India's services sector GVA increased at a CAGR of 11.43% to Rs. 101.47 trillion (US\$ 1,439.48 billion) in FY20, from Rs. 68.81 trillion (US\$ 1,005.30 billion) in FY16. Between FY16 and FY20, financial, real estate and professional services augmented at a CAGR of 11.68% (in Rs. terms), while trade, hotels, transport, communication and services related to broadcasting rose at a CAGR of 10.98% (in Rs. terms). According to RBI, in April 2021, service exports stood at US\$ 21.17 billion, while imports stood at US\$ 10.61 billion. The India Services Business Activity Index/ Nikkei/IHS Markit Services Purchasing Managers' Index fell to 46.4 in May 2021 from 54.0 in April 2021, as output and new orders declined due to COVID-19-induced restrictions to contain the spread of coronavirus.

### Industry developments

Some of the developments in the services sector in the recent past are as follows:

- The services\* category in India attracted cumulative foreign direct investment (FDI) worth US\$ 87.06 billion between April 2000 and March 2021. The services category ranked 1st in FDI inflow as per data released by the Department for Promotion of Industry and Internal Trade (DPIIT).
- In April 2021, the Ministry of Education (MoE) and University Grants Commission (UGC) started a series of online interactions with stakeholders to streamline forms and processes to reduce compliance burden in the higher education sector, as a follow-up to the government's focus on ease of doing business to enable ease of living for stakeholders.
- On March 17, 2021, the Health Ministry's eSanjeevani telemedicine services crossed 3 million (30 lakh) teleconsultations since its launch, enabling patient-to-doctor consultations from the confines of their home and doctor-to-doctor consultations.
- In April 2021, Elon Musk's SpaceX has started accepting pre-orders for the beta version of its Starlink satellite internet service in India for a fully refundable deposit of US\$ 99. Currently, the Department of Telecommunications (DoT) is screening the move and more developments will be unveiled soon.
- In December 2020, a cohort of six health-tech start-ups—AarogyaAI, BrainSightAI, Fluid AI, InMed Prognostics, Wellthy Therapeutics, and Onward Assist—have been selected by the India Edison Accelerator, fuelled by GE Healthcare. India Edison Accelerator, the company's first start-up partnership programme focused on Indian mentors, creates strategic partners to co-develop healthcare solutions.
- The Indian healthcare industry is expected to shift digitally enabled remote consultations via teleconsultation. The telemedicine market in India is expected to increase at a CAGR of 31% from 2020 to 2025.
- In December 2020, Gamma Skills Automation Training introduced a unique robotics & automation career launch programme for engineers, an 'Industry 4.0 Hands-on Skill Learning Centre' located at IMT Manesar, Gurgaon in Haryana.
- In December 2020, the 'IGnITE' programme was initiated by Siemens, BMZ and MSDE to encourage high-quality training and technical education. 'IGnITE' aims to develop highly trained technicians, with an emphasis on getting them ready for the industry and future, based on the German Dual Vocational Educational Training (DVT) model. By 2024, this programme aims to upskill ~40,000 employees.

- In October 2020, Bharti Airtel entered cloud communications market with the launch of business-centric 'Airtel IQ'.

### Government Initiatives

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

The Government of India has adopted few initiatives in the recent past, some of these are as follows:

- According to a spokesperson, the Indian government is planning to introduce a credit incentive programme worth Rs. 50,000 crore (US\$ 6.8 billion) to boost healthcare infrastructure in the country. The programme will allow companies to access funds to ramp up hospital capacity or medical supplies with the government acting as a guarantor.
- In June 2021, India and Australia announced its collaboration in cyber-enabled critical technologies, highlighting the requirement to boost the critical information security infrastructure such as 5G telecom networks.
- Under Union Budget 2021-22, the government allocated Rs. 7,000 crore (US\$ 963.97 million) to the BharatNet programme to boost digital connectivity across India.
- FDI limit for insurance companies has been raised from 49% to 74% and 100% for insurance intermediates.
- In May 2021, the Ministry of Commerce and Industry announced that India received an FDI inflow of US\$ 81.72 billion, the highest FDI during FY 2020-21.
- In March 2021, the central government infused Rs. 14,500 crore (US\$ 1.99 billion) capital in Central Bank of India, Indian Overseas Bank, Bank of India and UCO Bank through non-interest-bearing bonds.
- On January 15, 2021, the third phase of Pradhan Mantri Kaushal Vikas Yojana (PMKVY) was launched in 600 districts with 300+ skill courses. Spearheaded by the Ministry of Skill Development and Entrepreneurship, the third phase will focus on new-age and COVID-related skills. PMKVY 3.0 aims to train eight lakh candidates.
- In January 2021, the Department of Telecom, Government of India, signed an MoU with the Ministry of Communications, Government of Japan, to strengthen cooperation in the areas of 5G technologies, telecom security and submarine optical fibre cable system.
- On November 4, 2020, the Union Cabinet, chaired by the Prime Minister, Mr. Narendra Modi, approved to sign a memorandum of understanding (MoU) between the Ministry of Communication and Information Technology and the Department of Digital, Culture, Media and Sports (DCMS) of United Kingdom Government to cooperate in the field of telecommunications/information and communication technologies (ICTs).
- In October 2020, the government selected Hughes Communications India to connect 5,000 village panchayats in border and naxal-affected states and island territories with satellite broadband under BharatNet project by March 2021.
- In September 2020, the government announced that it may infuse Rs. 200 billion (US\$ 2.72 billion) in public sector banks through recapitalisation of bonds
- In the next five years, the Ministry of Electronics and Information Technology is working to increase the contribution of the digital economy to 20% of GDP. The government is working to build cloud-based infrastructure for collaborative networks that can be used for the creation of innovative solutions by AI entrepreneurs and startups.
- On Independence Day 2020, Prime Minister Mr. Narendra Modi announced the National Digital Health Mission (NDHM) to provide a unique health ID to every Indian and revolutionise the healthcare industry by making it easily accessible to everyone in the country. The policy draft is under 'public consultation' until September 21, 2020.
- In September 2020, the Government of Tamil Nadu announced a new electronics & hardware manufacturing policy aligned with the old policy to increase the state's electronics output to US\$ 100 billion by 2025. Under the policy, it aims to meet the requirement for incremental human resource by upskilling and training >100,000 people by 2024.
- Government of India has launched the National Broadband Mission with an aim to provide Broadband access to all villages by 2022.

## Road Ahead

By 2025, healthcare industry is expected to reach US\$ 372 billion. India's digital economy is estimated to reach US\$ 1 trillion by 2025. By end of 2023, India's IT and business services sector is expected to reach US\$ 14.3 billion with 8% growth. The implementation of the Goods and Services Tax (GST) has created a common national market and reduced the overall tax burden on goods. It is expected to reduce costs in the long run-on account of availability of GST input credit, which will result in the reduction in prices of services.

Note: Conversion rate used for April 2021 is Rs. 1 = US\$ 0.01334

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

## OUR BUSINESS

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 Prospectus, including the information contained in the section titled “**Risk Factors**”, beginning on page no. 21 of this Prospectus.

This section should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the section title “**Risk Factors**” and the chapters titled “**Financial Statement as Restated**” and “**Management Discussion and Analysis of Financial Conditions and Results of Operations**” beginning on page no 21, 158 and 159 of this Prospectus

Unless the context otherwise requires, in relation to business operations, in this section of this Prospectus, all references to “we”, “us”, “our” and “our Company” are to “**Markolines Traffic Controls Limited**” and Group Entities as the case may be.

## **OVERVIEW**

We are a Highway Operations & Maintenance (**O&M**) Service providing company. We thrive to make Highway Operations & Maintenance cost effective and easier with the help of Innovation, Technology & out-of-the-box solutions. Our vast experience of 19 years in offering superior services in the Highway Operations & Maintenance (**O&M**) have earned us name in the (**O&M**) domain. Our principal business operations are broadly divided into three categories:

- i) Highway Operations under which we provide services like Toll operations, Route Patrolling and Incident management;
- ii) Highway Maintenance under which we provide services like Routine Maintenance, Preventive Maintenance and Major Maintenance & Repairs (MMR);
- iii) Specialized Maintenance Services under which we provide services which enhance the life and quality of road, these are Microsurfacing (MS), Base / Sub base Stabilization (FDR) and Cold In Place Recycling (CIPR).

India is a developing country & numerous new highways & express ways are the need of the hour for efficient and fast movement of material & people. Due to liberalization & reforms taken up in the year 1991, the Indian Economy has opened up & this has led to global players coming in India. As a result of this, a need for better & faster movement of goods & people was desired & this necessitated improvement in the infrastructure facilities available in India. The infrastructure development could not have been complete without development of the Highways & Expressways which are the need of the hour. Such development also requires huge funding & therefore a new concept known as PPP (Public Private Partnership) was introduced by Govt. of India. In this concept, the road development was awarded to private participants on BOT (Build Operate & Transfer) basis who are required to put in the financial funds. The concessioner had to invest and make the road at his own cost and then recover his money by collection of Toll from the commuters for certain period of time. He was also supposed to maintain the facility developed. The private players, Indian as well as global, who were in such business grabbed this opportunity & developed the highways & the express ways across the country. And obviously for recovery of their investment they were required to set up the facility for toll collection of toll from the commuters as well as maintenance of the infrastructure developed. However, since Highway operation and maintenance being a very tedious and required certain special skill sets as organization. The private players/developers whose core activity was development did not want to diversify from their core business. This sought the option of outsourcing the operation & maintenance.

This being a new sector, there were not many players having requisite knowledge & expertise to run such outsource operation.

Our company who was in the business of road marking envisaged this opportunity & ventured in this business activity Operation and maintenance of these infrastructure projects in 2009. As the same time because of its wear & tear nature of the highways, maintenance of the infrastructure developed also become mandatory. The periodic maintenance of these projects itself became one of the major activities for the various contractors.

As the time passing and maintenance of these projects becoming due and our company envisage another opportunity and decided to go in for offering complete array of maintenance services. Over the last few years, we have not only achieved huge credibility based on performance in the market but is also one of the well-known O & M operators in the country and today are one of the trusted service providers in the Highway O&M sector operating pan India basis under the Markolines Umbrella.

To keep up with trend to work with innovative and new technology, Markoline decided to go for the specialized road surfacing treatment called as Micro surfacing. This being a relatively new and cost-effective technology there is a huge potential for this business too. With the Markoline commitment, in a short span of few years of starting the operation. Our company has completed 6.6 Million SQM of Microsurfacing. Keeping up to the track record Markoline ventured into Cold In Place Recycling (CIPR) and Base / Sub base Stabilization (FDR) and has achieved experience which is unique and unmatched in India.

Subsequent to the completion of various BOT projects where the highway infrastructure was ready which needed to be re-strengthened and maintained. Realizing the potential for Monetization, Government of India came up with new model Toll Operate & Transfer (TOT), wherein the about 5/10 projects were put in the Bundle and offered for Re-strengthen and maintenance for a long period of 15/30 years.

Due to the huge requirement of Funds, Long tenure and better returns many FDI's/FI's ventured in this business. For all such institutions, this not being the core business outsourcing of O&M was obvious and that brings in huge potential of 1000s of crores of business for this sector of O&M. Being very few service providers in this sector and Markolines with high credentials and one of the preferred vendors is at an advantageous position to en-cash and clock huge growth in coming years.

Our company was incorporated on November 08, 2002 and since our inception we have gradually increased our execution capabilities in terms of the size and Number of projects that we have executed. We started our business operation with a single product that was thermoplastic road marking and over the years we have transformed into a well-known Highway Operations & Maintenance (O&M) service provider in India. For example, one of the first road projects that we executed was for Larsen & Toubro Limited, in the year 2003 with a Project Cost of ₹ 97.05 Lakh, whereas the project recently awarded to us by Mumbai Metropolitan Region Development Authority, for Execution of Rehabilitation, Overlay and Microsurfacing in the State of Maharashtra in 2021 involves a Project Cost of ₹ 13,262 Lakh. In over a decade and a half, we have transitioned from a single product company to a multi-product company and aspire to be an Indian Multinational Company (MNC) in Highway Operations & Maintenance (O&M). We have, since 2002, executed over 90+ Highway Operations & Maintenance (O&M) projects. As on date of this Prospectus we have projects for Major Maintenance & Repairs of around 285.71 km of National Highways in the state of West Bengal, Maharashtra and Rajasthan. We have projects for Toll Operations, Routine Maintenance, Route Patrolling services, of managing around 943.31 km of National Highways and diversified in the state of Rajasthan, Uttar Pradesh, Maharashtra, Jharkhand, Bihar, Tamil Nadu, West Bengal and Andhra Pradesh. As of July 31, 2021 our Company has an Order Book of ₹ 27,607 Lakh. "Risk Factors no 4. Our Order Book may not be representative of our future results and our actual income may be significantly less than the estimates reflected in our Order Book, which could adversely affect our results of operations."

In the year 2019, we have also received and order for Laying, joining & Commissioning of DI K-9/DI K-7 Class Pipe for Raw/ Clear Water pumping feeder. Construction of Raw water treatment Plant along with Clear water sump well and clear water pump house, overhead water tanks and water distribution network at Rampur Baghelan, Satna in the state of Madhya Pradesh under policy of Chief Minister Urban Water supply scheme. We believe that our in-house integrated model and efficient project execution capabilities have enabled us to execute projects maintaining quality standards in a timely manner, (in certain cases before the stipulated timelines)

The following table sets forth certain information on the revenue contributed by our business segments, for the periods indicated:

Year	2018-2019		2019-2020		2020-2021	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
<b>Major Maintenance</b>	7,320.17	100%	15,124.99	88.39%	12,673.08	80.35%
<b>Toll Operations</b>	-	-	1,985.51	11.61%	3,097.54	19.65%
<b>Total</b>	7,320.17	100%	17,110.51	100%	15,770.61	100%

We strongly believe in innovation and technology. We have been pioneers in introducing latest technologies and successfully delivering high quality services to all our clients. Way back in 2002 when Road marking in India was done with small hand-held machines, we then introduced extrusion technology for road marking by importing a fully automated machine which was used to mark the road in a hassle free and precise manner. The first project of Road Marking executed for Ahmedabad Vadodara became a Landmark project in terms of quality and precision. We have done the same by introducing the Microsurfacing with Fiber in India. This use of technology and our innovative approach towards our services has helped us in completing (O&M) contracts with superior quality standards within time. This has gained us expertise and edge over competitors and also has built a trust over the years among our clientele. We understand the unique needs of our customers and offer reliable services according to their need. We are committed to surpass customer expectation and achieve customer loyalty with our excellent services delivered on schedule. We adhere strictly to ethical practices to aim for 100% customer satisfaction, with integrity.

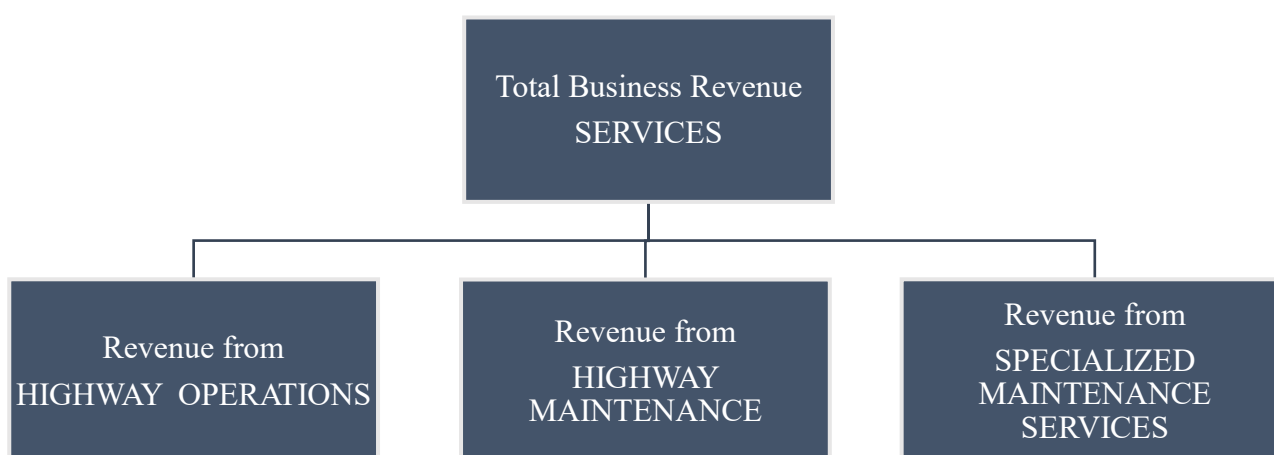
We are always committed to fulfil the requirements of our clientele according to their needs. In order to meet these requirements, we have adapted the best measures in the industry. We believe that we carry out extensive research, training and upgradation of technology to maintain the standards and quality of our services. We are providing services that ensure customer satisfaction. We believe that we have long-term and stable relationships developed over the years with our key customers through the quality of services we provide.

Our Company was originally incorporated as “Mark-O-Line Traffic Controls Private Limited” on November 08, 2002 at Pune, Maharashtra as a private limited company under the Companies Act, 1956 with the Registrar of Companies, Pune. The Registered office of our Company got shifted from Pune to Mumbai vide Certificate of Registration of Regional Director order for Change of State dated September 27, 2005. The name of our Company was changed from “Mark-O-Line Traffic Controls Private Limited” to “Markolines Traffic Controls Private Limited” vide Fresh Certificate of Incorporation consequent upon Change of Name pursuant to Shareholders Resolution passed at the Extra Ordinary General Meeting held on February 17, 2018. Further, our Company was converted into Public Limited Company pursuant to Shareholder’s resolution passed at the Extraordinary General Meeting of our Company held on April 19, 2021 and the name of our Company was changed to “Markolines Traffic Controls Limited” and a Fresh Certificate of Incorporation consequent upon conversion of Company to Public Limited dated August 10, 2021 was issued by Registrar of Companies, Mumbai, Maharashtra, being Corporate Identification Number U99999MH2002PLC156371.

We have our registered office located at 502, A Wing, Shree Nand Dham Sector 11, CBD Belapur Navi Mumbai 400614, Maharashtra, India having a combined total area of approximately 455 sq. ft. as on date of filing of Prospectus. Apart from this the company has its Corporate Office at 601, 602, 603, 604 & 605, 6th Floor, Wing-A, Shree Nand Dham, Sector-11, CBD Belapur, Navi Mumbai – 400614 having a combined total area of approximately 2559 Sq. ft. Moreover, our work demands to setup temporary project offices near to the project sites.

Our Company is promoted by Mr. Sanjay Bhanudas Patil and Mr. Karan Bora, Mr. Sanjay Bhanudas Patil is the guiding force behind all the strategic decisions of our Company and has been an anchor to our company since incorporation. Mr. Karan Bora, qualified Business Graduate the young Entrepreneur. Our Promoters have a long corporate and Entrepreneurial Experience. The promoters are the frontline force behind the company, they are leading the company from the front. In addition to our individual Promoters, our senior management team includes qualified, experienced and skilled professionals who have experience across various sectors. We believe the stability of our management team and the industry experience brought on by our individual Promoters and the senior management team will enable us to continue to take advantage of future market opportunities and expand into newer markets. Our senior management team is able to leverage our market position with their collective experience and knowledge in the Highway O&M industry, to execute our business strategies and drive our future growth. Our CFO has an experience of over two decades in the Highway Operations & Maintenance (O&M) industry.

Our revenue model is summarized as below





### **Highway Operations:**

Highways are the vital roads that connect various regions. A perfectly running highway network is one which is well-managed and operated to deliver a safe and comfortable ride to the commuter. We offer a gamut of services to improve the performance of Highway Operations. Our solutions are designed to relieve vehicular congestion, maximize safety and boost the mobility of personal and commercial vehicles. We aspire to deliver a system that is safe, accessible and easy to navigate. Our excellent regional & cultural understanding and contingency management puts us ahead of the competition.

### **Highway Maintenance:**

Highways are lifelines of a nation; it is crucial to keep these in good working condition. Markolines provides a suite of maintenance services to address diverse road conditions. Weather, traffic volume and geographical conditions often impact the roads and it is important to take these factors into consideration while arriving at the right treatment. Our team of experts is experienced to handle repairs, replacements and maintenance projects, and is guided by the tenets of health, safety, security and environment (HSSE). We are updated with knowledge on the latest trends and technologies and implement the same on our site to deliver an improved solution.

### **Specialized Maintenance Services:**

We have always believed in latest Technology to increase the efficiency and performance of the highways for the better experience of the ultimate user. We provide various services under specialized maintenances such as Microsurfacing, Cold in Place Recycling, Soil Stabilization and Reclaimed Asphalt Pavement (RAP)

### **OUR LOCATIONS**

<b>Registered Office</b>	502, A Wing, Shree Nand Dham Sector 11, CBD Belapur Navi Mumbai 400614, Maharashtra, India.
<b>Corporate Office</b>	601, 602, 603, 604 & 605, 6th Floor, Wing-A, Shree Nand Dham, Sector-11, CBD Belapur, Navi Mumbai – 400614

### **OUR COMPETITIVE STRENGTHS**

**We are a well-known Highway Operations & Maintenance (O&M) service enabling company with diversified Services portfolio.**

We are one of the few Indian Highway (O&M) service enabling company in India offering complete spectrum of Highway O&M Services. We presently derive revenues from each of our Highway Operations, Highway Maintenance and Specialized Maintenance Services roads segments. We provide Highway O & M Services Pan India basis and are currently have projects across 9 states in India.

**We have a proven track record for winning, developing and operating projects successfully.**

We believe that we have a strong reputation in the Highway O & M domain and that we have a track record for winning projects and operating them, successfully. We believe that our ability to manage to various resources, use of Technology, collaboration with potential partners and industry experts and most importantly our research-based approach to providing solution to customers problem area puts us ahead of competition and achieve the highest customer satisfaction.

### **Efficient business model**

Our growth is largely attributable to our performance base customer approach which involves careful identification of our projects and cost optimisation, which is a result of executing our projects with careful planning and strategy. This model has facilitated us in maximising our efficiency and increasing our profit margins. Additionally, our fleet of modern equipment ensures better control over execution and timely completion of projects. Our Company follows a strategic approach during the pre-bidding stage, which involves undertaking technical surveys and feasibility studies and analysing the technical and design parameters and the cost involved in undertaking the project. We believe that our strategic approach during the pre-bidding stage and providing customised solutions enables us not only to bid at competitive prices but helps us to successfully win projects. Once we win a bid, our focus is to ensure highest quality during the execution stage of the project, as a result of which, we believe, we are able reduce maintenance and repair costs and therefore realize higher margins during the operation and maintenance stage of the project. Through our experience of executing projects of varying sizes, we believe that we have developed internal systems and processes which help us in effective execution and management of our ongoing projects. Our experienced engineering and management teams are responsible for ensuring

that we execute the project in a systematic and cost-effective manner by monitoring operational costs, administrative costs and finance costs at every stage of the project cycle and applying checks and controls to avoid any cost and time overruns.

### **Established brand and reputation in Highway O&M domain**

We believe that our Group brand 'Markolines' is a recognizable brand in India when it comes to Highway O&M domain and is a differentiating factor for our customers. Our vast experience and proven track record help us to establish customer confidence. We also believe that our established brand and reputation has enabled and will enable us to obtain future business opportunities. We have gained significant experience and have established track record and reputation for efficient project management, execution and timely completion of projects in Highway O&M sector.

### **Visible growth through our growing Order Book and improved pre-qualification credentials**

Our Order Book as of a particular date consists of estimated revenue from unexecuted or uncompleted portions of our ongoing projects, i.e., the total contract value of such ongoing projects as reduced by the value of work billed until such date. Our growth strategy has been focused on selecting quality projects with potentially higher margins. We believe that by expanding our operations in different geographical regions, we are able to pursue a broader range of project Bid and therefore maximize our business volume and profit margins. Based on our experience and our various unique prequalification credentials give us a leading edge over competition. Our order book has grown significantly over the last three years, from ₹ 19,928.80 Lakh as of March 31, 2019, to ₹ 16,443.87 Lakh as of March 31, 2020 and ₹ 20,081.68 Lakh as of March 31, 2021 respectively. As of July 31, 2021, our total order book was ₹ 27,607.46 Lakh.

### **Rich Management Experience**

Our Promoters have an experience in Highway O & M services industry of approximately 2 decades. Our Company is managed by a team of experienced and professional personnel, exclusively focused on different aspects of the industry. The team comprises of personnel having vast operational experience in every aspect of business including technical, non-technical and management. With the cumulative experience of more than 200 years of our senior management we are capable of facing every challenge and creating a substantial growth within our Company. Our management's experience and knowledge enable us in addressing and mitigating various risks inherent in any business such as competition, price fluctuations.

### **Strong professional and execution team allows the Company to develop a strong business**

Our Company has a team of able and experienced professionals with ability to actively manage funding operations. This coupled with proven promoter track record allows the Company to rapidly grow its client portfolio and business. We are a professionally managed company having qualified professionals, engineers and workers. We facilitate the integration of our workforce, processes and technology. Our key business processes are actively managed by our senior management. We believe that our motivated team of management and key managerial personnel along with our internal systems and processes complement each other to enable us to deliver high levels of client satisfaction.

### **Diversified Portfolio of Services offered**

We provide a complete spectrum of Highway Operations & Maintenance (O&M) Services. Our services consist of Highway Operations under which we provide services like Toll operations, Route Patrolling and Incident management; ii) Highway Maintenance under which we provide services like Routine Maintenance, Preventive Maintenance and Major Maintenance & Repairs; iii) Specialized Maintenance Services under which we provide services which enhance the life and quality of road. Our services include Microsurfacing, Cold In Place Recycling, Soil Stabilization and Reclaimed Asphalt Pavement (RAP).

### **Progressive Employer**

Markolines is continuously focused on creating an engaging atmosphere for our Employees to learn, contribute and grow. We nurture a sense of equality among our team members and offer them ample opportunities to pursue their passion and grow.

There is an active FUN team that creates opportunities for enjoyment even while working. We believe in timely compliance of all statutory payments especially related to employees. Our company ensures a safe environment, dignity and respect for all our employees irrespective of gender, religion, caste.

## Quality Service

We believe in providing quality and timely service to our customers. We have a set of standards for ourselves when it comes to timeliness and quality of service we provide to our customers. We believe that our quality service for the last 19 years has earned us a goodwill from our customers, has also helped us to add new customers to our existing customer base. Our company focuses on maintaining the level of consistency in our service, thereby building customer loyalty for our Brand.

## BUSINESS STRATEGY

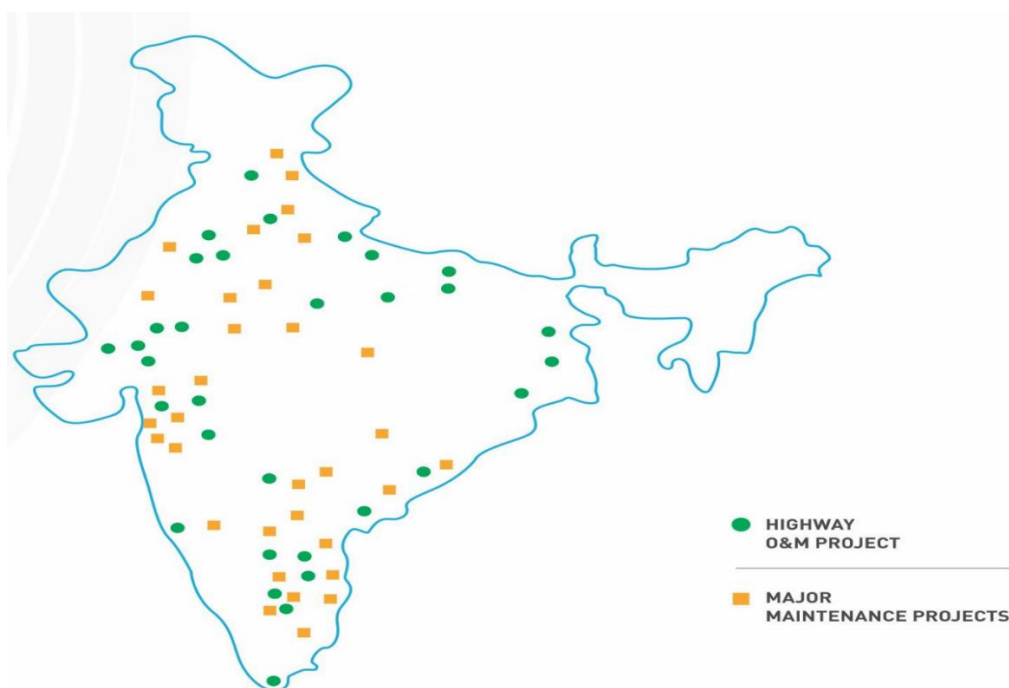
### Continue focusing on our Operations & Maintenance (O&M) business in Highways sector and enhancing execution efficiency

Our primary focus is to strengthen our market position in India in developing and executing O&M projects in the Highway O&M sector. Over the next few years, we will continue to focus on the operation, maintenance and development of our existing projects while seeking opportunities to expand our O&M projects in the Highways sector. We intend to capitalize on our experience and project execution expertise and continue to selectively pursue other infra segments. We believe that, given the Government's focus on improving infrastructure in India, the roads and highways infrastructure sector has high potential for growth and our experience and track record in the O&M business provides us with a competitive advantage in pursuing future opportunities. We intend to continue to focus on efficient project execution by adopting industry best practices and advanced technologies to deliver quality projects to the satisfaction of our clients.

We intend to continue to invest in modern equipment and latest technology to ensure timely, effective and efficient execution of projects. We seek to attract, train and retain qualified personnel and skilled laborers and further strengthen our workforce through more comprehensive training and provide adequate and skilled manpower to our clients. We also seek to offer our engineering and technical personnel a wide range of work experience, in-house training and learning opportunities by providing them with an opportunity to work on a variety of large, complex projects. We will continue focusing on improving our internal systems and processes and upgrade our IT systems to reduce manual intervention and improve reliability and efficiency of our business and operations. We also intend to utilize advanced technologies, designs, engineering and project management tools to increase productivity and maximize asset utilization in our activities.

### Selectively expand our geographical footprint

Our Company started its operations in Gujarat and has gradually expanded in other states including West Bengal, Maharashtra, Rajasthan, Uttar Pradesh, Jharkhand, Bihar, Tamil Nadu and Andhra Pradesh, Haryana. We plan to continue our strategy of diversifying and expanding our presence in different states for the growth of our business. We are selective when we expand in a new location and typically look to geographies where we can deliver high-quality services without experiencing significant delays and interruptions on account of adverse climatic conditions or regulatory delays. We believe that our strategy of selective expansion helps us in mitigating diversification related risks.



### **Diversify beyond projects in the roads and highways sector by leveraging existing capabilities**

While our primary focus is on Operation and Maintenance projects in highways sector, as part of our business growth strategy, we also intend to diversify in other infra sectors and have secured a large contract for executing water supply projects on turnkey basis in Madhya Pradesh. We believe that, due to the increasing levels of the Government's focus and investment in infrastructure in India, certain segments such as airport runways, and development of smart cities provide us with exciting opportunities to further develop our business and achieve higher profitability. We seek to capitalise on such opportunities in new functional areas of infrastructure development. As part of our business growth strategy, we intend to diversify into, and shall consider bidding for, projects related to maintenance of airport runways, projects related to railways and metros for Operations and maintenance (O&M). In order to mitigate the risk of over-diversification, we seek to expand in businesses that require execution skills that are similar to our existing Highways O&M business and allow us to leverage our past experience and maximize the use of our manpower, equipment for our expansion and avoid additional investment in new equipment wherever possible. Further, in new areas where we may lack experience or expertise, we may also enter into strategic alliances and joint ventures with other companies.

### **Strengthen Internal Systems and Continue to Focus on Technology and Operational Efficiency**

Information technology is a part of almost every aspect of our operations. Our growing dependence on the IT infrastructure, applications, data management and other internal processes has caused us to have a vested interest in its reliability and functionality. We intend to strengthen our IT systems and other internal processes to reduce manual intervention, improve reliability and efficiency of our business. Given the nature of our industry, cost competitiveness is a key component of success. We believe we have low execution costs which is partly attributable to our integrated operations and investment in technologies. Further our scale of operations provides us with a significant advantage in reducing costs and sustaining our cost advantage. We also believe that operational efficiency, i.e., maintaining quality, minimizing costs and ensuring timely completion of our projects depends largely on the skill and workmanship of our employees. As competition for qualified personnel and skilled labour is increasing among Infrastructure and ancillary companies in India and as we pursue growth opportunities, we seek to attract, train and retain qualified personnel and skilled labour by increasing our focus on training our staff in basic and advanced skills and technology. We also seek to offer our engineering and technical personnel a wide range of work experience and learning opportunities by providing them with an opportunity to work on a variety of large projects.

### **To continue to be a key player in India's Highway Operations & Maintenance (O&M) sector.**

We believe that the prospects for the Highway Operations & Maintenance (O&M) industry in India look positive with the government policy focusing on increasing investment in the infrastructure sector in India. We believe this provides tremendous business potential for an established and experienced O&M company, such as Markolines. We believe our track record in (O&M) in India will provide us with an advantage in the identification, bidding, winning, and successful execution of these projects.

### **Increase Brand awareness**

We believe that it's critical for success to have strong brand recognition and recall value. We intend to enhance the brand recognition of our services through our presence in major cities. We also intend to focus on use of targeted marketing initiatives such as digital and print advertisements, as well as marketing through traditional channels such as outdoor advertising. Our marketing and advertising initiatives shall be directed to increase brand awareness, acquire new customers, drive customer traffic across our retail channels and strengthen our brand recall value.

### **Building-up as a Professional Organisation**

We believe for a business to grow beyond a certain size, it needs to be run as a professional organisation. No organisation run in a promoter-centric or an unorganised manner can become a large business. We believe in transparency, commitment and coordination in our work, with all our stakeholders. We have the right blend of experienced and dynamic team and staff which takes care of our day-to-day operations. We also consult with external agencies on a case-to-case basis on technical and financial aspects of our business.

### **Continue to attract and retain talent**

As part of our business strategy, we are focused on attracting and retaining high quality talent as we continue to expand our service offering. We have recruited and retained talented employees from a variety of backgrounds. We expect to continue to attract talented employees through our retention initiatives. We intend to invest adequate time and resources for training our employees, which we believe would foster mutual trust, improve the quality of our customer service and place further

emphasis on our continued retention.

### **Strategic Acquisition and Alliance Opportunities**

We intend to explore and evaluate strategic acquisition and technology alliance opportunities to gain access to new clients and sectors, add new technology capabilities to our offerings that drive synergies with our existing business ventures.

### **OUR BUSINESS SERVICES:**

Roads make a crucial contribution to economic development and growth of a nation. Well-maintained roads bring vital social benefits like providing access to employment. India's ever-widening web of roads needs smooth operation and superior maintenance, and we are here to contribute to it by offering effective and efficient management solutions in Highway Operations, Highway Maintenance, Consultancy Services.

We adopt a customer-focused approach, committed to delivering a service that directly addresses the needs of our clients and the society we work in. Our unrelenting drive to improve and our unwavering commitment towards providing our clients with best-in-class services through focus on integrity, dedication and ethics fuels our success. Our professional and dedicated team is led by commitment to deliver the best and become the most preferred company in the sector. As we move forward, we continue to keep health, safety, security and environment at the core – and these are the tenets that we do not compromise on at any time.

Our Highway Operations & Maintenance (O&M) services are briefly described below:



### **HIGHWAY OPERATIONS:**

Highways are the vital roads that connect various regions. A perfectly running highway network is one which is well-managed and operated to deliver a safe and comfortable ride to the commuter. We offer a gamut of services to improve the performance of Highway Operations. Our solutions are designed to relieve vehicular congestion, maximise safety and boost the mobility of personal and commercial vehicles. We aspire to deliver a system that is safe, accessible and easy to navigate. Our excellent regional & cultural understanding and contingency management puts us ahead of the competition.

Services offered under Highway Operations are as follows:

- 1. TOLL OPERATION:** Our team's prime objective is to collect maximum revenue by catering to maximum traffic and avoid leakages by minimising exemptions and violations. Markolines regularly imparts soft skills and toll operations training to Toll Staff to boost efficiency and save time. All our toll operations services are designed considering aspects like safety, effective traffic management and minimum vehicle processing time.
- We Ensure 24\*7 operations to maintain smooth traffic flow and faster toll tax collection
  - Collect maximum revenue by catering to maximum traffic
  - Avoid leakages by minimizing exemptions and violations
  - Offer services to address safety, effective traffic management and minimum vehicle processing period
  - Impart soft skills and TMS training to Toll Collectors to boost efficiency and save time

The activities we cover under Toll Operations:

- Traffic Management
- Revenue Management



- Tolling Strategy Studies
- Staff Recruitment and Training
- Surveillance and Audit Systems
- Housekeeping Service
- MIS Reporting

**Figure 1. Toll operations**



**2. ROUTE PATROLLING:** Keeping the routes safe and obstruction-free is a vital aspect of highway operations. With the motto of prevention is better than cure, Markolines Route Patrolling Services ensure that the Highway is under round-the-clock surveillance. Our team rigorously monitors the route for encroachments, blockages, and unlawful activities. We keep an eye for any condition that can potentially disrupt services and takes adequate measures to limit and eliminate the impact. Moreover, Control Rooms manned by experienced personnel help in quick assessment of situations based on the inputs provided by our Route Patrolling Team, to avert major disruption. This helps them alert the Incident Management Team for timely action.

Under Route Patrolling, our services include:

- Highway Patrol
- Control Room & HTMS Operations
- Prevention & Removal of Obstruction /encroachment along the corridor
- Highway Asset Monitoring and Reporting
- Security Service



**Figure 2. Route Patrolling**

**3. INCIDENT MANAGEMENT:** Our Incident Management team undergoes special training to handle any untoward incident that may occur on the routes and manage it in a safe and satisfactory manner till the end. Our team attends to the incident scene in a minimal time frame and tries to restore the flow of traffic at the earliest. We provide emergency medical aid and immediate evacuation of the injured to a nearby hospital. The team also safeguards personal property, conducts accident investigations and supervises scene clearance. Our Incident Management method reduces the effects of incident-related congestion by decreasing the time to detect incidents, arrival of emergency vehicles, and resuming smooth traffic movements.

Under Incident Management our services include:

- Accident Management
- Ambulance Service Management
- Crane Service Management
- Fire Fighting Service Management

**Figure 3. Incident Management**



### **HIGHWAY MAINTENANCE:**

Highways are lifelines of a nation; it is crucial to keep these in good working condition. Markolines provides a suite of maintenance services to address diverse road conditions. Weather, traffic volume and geographical conditions often impact the roads and it is important to take these factors into consideration while arriving at the right treatment. Our team of experts is experienced to handle repairs, replacements and maintenance projects, and is guided by the tenets of health, safety, security and environment (HSSE). We are updated with knowledge on the latest trends and technologies, and implement the same on our site to deliver an improved solution.

Services offered under Highway Maintenance are as follows:

**1. MAJOR MAINTENANCE & REPAIRS:** We undertake major maintenance and repairs of highways which covers rehabilitation, renewal or resurfacing of the assets. The complex nature of these projects involves temporary road closures and diversion during the works. Such maintenance project requires accurate planning of resources, adequate safety arrangements, advanced machinery, proper coordination, faster turnaround time and seamless traffic management. Under Major Maintenance our team designs tailor-made plans for each project and follows stringent timelines to minimise disruption time.

Our Major Maintenance activities involve:

- Pavement Milling
- Bituminous Overlay/ Resurfacing
- Repair and Rehabilitation of Pavement
- Repair/Replacement of Road Furniture like MBCB, RPM, Blinkers, and Pavement Markings etc.

**Figure 4. Major Maintenance & Repairs**



- 2. PREVENTIVE MAINTENANCE:** Preventive maintenance is performed in response to triggers of deteriorating road condition that requires action before the problem gets out of hand (e.g. Microsurfacing, crack sealing, pothole patching, Rut Filling etc.). Our team is well- equipped and trained to perform the various Preventive or specialized activities such as Microsurfacing. Roads are among the most important public assets involving massive investment. We help keep the roads to the extent possible in its original condition, thus preserving the investments made on road assets.

Services managed under Preventive Maintenance:

- Microsurfacing
- Crack Sealing
- Slurry Sealing
- Fog Sealing
- Pothole Filling
- Patch Repairing
- Rut Filling

**Figure 5. Preventive Maintenance**



- 3. ROUTINE MAINTENANCE:** Efficient routine maintenance keeps the road in good condition all the time and makes journeys more safe and pleasant. We take responsibility to maintain and enhance the aesthetic appeal of highways regularly by keeping it neat and operational at all times. By maintaining these vital resources, we enable convenient travel along the route. Our commitment to enhancing the travel experience for all, correct assessment of road conditions and timely delivery makes us a preferred partner.

Services managed under Routine Maintenance:

- Corridor cleaning
- Horticulture: Watering and Maintenance of median and avenue plantation
- Highway Structures and Asset Cleaning
- Repair and Rectification of highway assets
- Electrical Equipment Maintenance



**Figure 6. Routine Maintenance****SPECIALIZED MAINTENANCE SERVICES:**

Services offered under Specialized Maintenance Services are as follows:

1. **MICROSURFACING:** Microsurfacing is a cost-effective surface treatment for preservation and extension of life of roads. With ample technical knowledge, Markolines has ventured into Microsurfacing to execute turn-key jobs and ensure smooth journeys across India. It is an eco-friendly surface treatment used to restore and preserve the surface characteristics of the road. It is a mix of polymer modified asphalt emulsion, graded aggregate, cement, water and additives. When applied in a semi-liquid condition with specialised paving equipment, it changes chemically and sets quickly. As a result, it gives a uniform coat of cold mix dense material that allows lesser downtime, resuming traffic within two hours of laying. It is called Green Technology for infrastructure projects. By using glass fibers in Microsurfacing, we have introduced the next generation known as Microsurfacing with Suspended Fiber Technology (MS - SFT) for the first time in India. Moreover, as a step ahead Markolines has set up an exclusive Technology Centre to offer latest techniques in Microsurfacing. The Technology Centre supports the field staff for the precise technical needs of a project considering the vital aspects like condition of road, resources available & environment and delivers solutions tailor-made for it – making us the #1 in Microsurfacing in India.

**Figure 7. Microsurfacing**

Thousands of new road kilometres are needed and will be built over the next years to expand the network of traffic arteries in the booming economy. This requires fast-paced, reliable and economical construction processes. At the same time for the existing roads, the sub-base of roads exposed to major stresses due to heavy goods traffic is often damaged. To remedy this damage, the complete road structure must be repaired. Cold-In-Place-Recycling (CIPR) and Soil stabilization is the best solution and meet both these requirements. It has become a standard construction method on large-scale construction projects around the world. As part of pavement rehabilitation services, we undertake Cold-in-Place Recycling (CIPR)

**2. COLD-IN-PLACE RECYCLING:** CIPR involves removing and reusing the existing asphalt surface. It involves grinding off the top layer (up to 200mm) of the existing asphalt surface and mixing the crushed asphalt with foamed bitumen and placing it back down with a recycler and allied machinery. Our team of experts can undertake this complex and specialized activity. As described in the ARRA (Asphalt Recycling and reclaiming Association) Basic Asphalt Recycling Manual, CIR “consists of recycling asphalt pavement without the application of heat during the recycling process to produce a rehabilitated pavement. The cold-in-place process is typically performed using a “train” of equipment, which includes a water tanker, bitumen tanker, recycler, graders and rollers. We own the complete set of machinery used in the Cold-in-Place Recycling (CIPR) process. CIPR can correct deep asphalt defects such as rutting, fatigue (alligator) cracking, and utility cuts that cannot be addressed by a surface treatment or an overlay, and allows minor corrections to the profile of a road surface, reduces reflective cracking, and results in a minor inconvenience to traffic.

**Advantages of Cold-In-Place Recycling:**

- CIPR overlay lasts 10-15 years as compared to 5-8 years of traditional overlay (Subject to traffic and overloading)
- Shorter construction period, due to high production capacity of recycling machines
- Cost effective due to reuse as well as on site execution.
- Conserves raw materials and natural Resources.
- Conserves energy
- Reduces greenhouse gas emissions
- Work is performed with minimal traffic disruption

**Figure 8. Cold-In-Place Recycling:**



**3. SOIL STABILIZATION** converts ground of insufficient bearing capacity into soil that is highly suitable for construction of roads, airports, ports, and factories. This improves the bearing capacity, Volume stability and the

Resistance to water of the existing ground, which later forms the backbone of the new base strengthening the road pavements.

Lime Treatment reduces the soil moisture content (Drying). It reduces the plasticity of soil by aiding the compaction (Modification) and increasing early strength (Modification). It also increases the long-term strength of soil by reducing its swell potential (Stabilization).

The permeability of cement-stabilized material is greatly reduced. The result is a moisture-resistant material that is highly durable and resistant to leaching over the long term. Cement-soil Stabilization is another technique, Where Portland cement can be used to stabilize and strengthen certain type of soils.

#### **Advantages of Soil Stabilization:**

- Higher resistance (R) values
- Reduction in plasticity
- Lower permeability
- Reduction of pavement thickness
- Elimination of excavation, exporting unsuitable material and importing new materials Aids compaction

#### **4. Reclaimed Asphalt Pavement (RAP)**

#### **5. Rehabilitation with Glass Grid**

### **COLLABORATIONS**

Our Company has not entered into any collaboration agreements as on date of this Prospectus.

### **INFRASTRUCTURE FACILITIES FOR UTILITIES LIKE ELECTRICITY WATER & POWER.**

#### **Infrastructure Facilities**

Our registered office is situated at 502, A Wing, Shree Nand Dham Sector 11, CBD Belapur Navi Mumbai 400614, Maharashtra, India and if have our corporate office at 601, 602, 603, 604 & 605, 6th Floor, Wing-A, Shree Nand Dham, Sector-11, CBD Belapur, Navi Mumbai – 400614.and our registered office and corporate office is well equipped with computer systems, internet connectivity, other communication equipment, security and other facilities, which are required for our business operations to function smoothly.

#### **Power**

The company does not require much power except the normal requirement of the office of the Company, and for lighting, systems running etc. Adequate power is available for office from Maharashtra State Electricity Distribution Company Limited.

#### **Water**

Our registered office has adequate water supply arrangements for human consumption purpose. The requirements are fully met at the existing premises.



### **EXPORT AND EXPORT OBLIGATIONS**

As on date of this Prospectus, our Company does not have any export and export obligation.

### **INTELLECTUAL PROPERTY RIGHTS**

Details of the trademark applied in the name of our Company are:-



S. No.	Trademark/Word/Patent	Application No.	Class	Registration/ Application Date	Status/ Validity
1.	 <b>Markolines</b>	5117995	35	September 04, 2021	Formalities Check Pass
2.	 <b>Markolines</b>	5117996	37	September 04, 2021	Formalities Check Pass

## CAPACITY AND CAPACITY UTILIZATION

Capacity and capacity utilization is not applicable to our Company since our business is not in the nature of a manufacturing concern with specified installed capacity.

## HUMAN RESOURCE

Human resource is the key element for our Company's growth strategy and handling the day-to-day activities within the organization. We focus on attracting and retaining the best possible talent. Our team is a blend of experienced, professional with expertise in capital markets. Our Company does not have any Employee Unions.

As of March 31, 2021, we had approximately 1588 employees in our company. The Mumbai office contains our principal corporate offices which conducts administrative and reporting activities for us and extends support to the rest of our businesses to all the site offices across India. We have not experienced any material strikes, work stoppages, labor disputes or actions by or with our employees, and we consider our relationship with our employees to be good.

The Chairman and Managing Director of the Company himself leads the marketing activities work along with the capable marketing team. He builds customers relationship by personal involvement by giving the customers the most importance. He puts customer and his satisfaction at the center of the business and ensures the same by solution-based approach and performance on ground. And all the employees who are employed in their respective departments also work with integrity to make sure the operation the company are fulfilled and the targets the company has set are achieved.

## HEALTH, SAFETY, SECURITY AND ENVIRONMENT

We have also adopted best practices, including deployment of advanced technology at our project sites, and regularly undertaking mock drills and other safety orientation programmes to promote a safe working environment. Our operations are subject to governmental, state and municipal laws and regulations relating to the protection of the environment, including requirements for water discharges, air emissions, the use, management and disposal of solid or hazardous materials or wastes and the cleanup of contamination. However, typically in contracts entered by us all the necessary approvals and environmental clearances for the project of the project are to be procured by our clients.

## MARKETING AND DISTRIBUTION STRATEGY

We are mindful of the fact that there is stiffer competition in Highway O &M services industry; hence we have been able to hire some of the best marketing experts to handle our sales and marketing. Our sales and marketing team is recruited on the basis of experience in the industry and are trained on a regular basis so as to be well equipped to meet their targets and the overall business goal of our Company. Our corporate goal is to grow our company to attain a prime position for Highway O&M Service through cutting edge technology and execution excellence in the India which is why we have mapped out strategy that will help us take advantage of the available market and grow to become a major force to reckon with not only in the India but also in other parts of the world.

Our company make use of the following marketing and sales strategies to attract clients;

- Introduce our company by sending introductory letters alongside our brochure to individuals, corporate organizations.
- Visiting Existing as well as Prospective clients.

- Encourage word of Mouth marketing from loyal & satisfied customers.
- Generating references thru Industry experts.
- Fully functional and self-explanatory web portal ([www.markolines.com](http://www.markolines.com))
- We are in the era of digitalization; hence our company aims at creating visibility through all digital media channels.
- Advertise our business in relevant business magazines and newspapers.
- Attend and participate in relevant international and local expos, seminars, and business fairs.
- Engage direct marketing approach.

## PROPERTIES

### Properties owned by the Company

Sr. No	Location	Name of Seller	Date of Agreement	Area	Purpose
1.	502, A Wing, Shree Nand Dham Sector 11, CBD Belapur Navi Mumbai 400614, Maharashtra, India	Navin Vikas Private Limited	December 07, 2004	455 sq. ft	Registered Office
2.	501, A Wing, Shree Nand Dham Sector 11, CBD Belapur Navi Mumbai 400614, Maharashtra, India	Navin Vikas Private Limited	January 12, 2006	381 sq. ft	Have been merger with Office 502 and both is been used as Registered Office

### Properties taken on rent by the Company

Sr. No	Location	Name of licensee	Document and Date	Rent (₹ in Lakh) (per month)	Period of Agreement	
					From	To
1.	601, 6th Floor, Wing-A, Shree Nand Dham, Sector-11, CBD Belapur, Navi Mumbai – 400614, Maharashtra, India	Mr. Norbert Dsouza	September 18, 2017	0.57	September 18, 2017	September 17, 2022
2.	602 & 603 6th Floor, Wing-A, Shree Nand Dham, Sector-11, CBD Belapur, Navi Mumbai – 400614, Maharashtra, India	Mr. Gilbert Dsouza	September 18, 2017	1.62	September 18, 2017	September 17, 2022
3.	604 & 605 6th Floor, Wing-A, Shree Nand Dham, Sector-11, CBD Belapur, Navi Mumbai – 400614, Maharashtra, India	Mr. Felix Dsouza	November 29, 2019	1,62	November 29, 2019	September 28, 2024

## COMPETITION

In particular, we compete with other Highway (O&M) Service companies, operating in the same geographies as ours. Our competition depends on various factors, such as the type of project, total contract value, potential margins, the complexity, location of the project and risks relating to revenue generation. While service quality, technical ability, performance record, experience, health and safety records and the availability of skilled personnel are key factors in client decisions among competitors, price often is the deciding factor in most tender awards. Some of our competitors may have greater resources than those available to us. We believe that we face competition from other construction companies which operate in the same geographies as us and undertake projects in the road

**LIST OF CUSTOMERS AND SUPPLIERS**
**Percentage of Top 5 and Top 10 Suppliers of total Purchases**

Particulars	For the period ended March 31, 2021
% wise Top 5 of Total Purchase	58%
% wise Top 10 of Total Purchase	74%

**Percentage of Top 5 and Top 10 Customers of total Sales**

Particulars	For the period ended March 31, 2021
% wise Top 5 of Total Sales	87%
% wise Top 10 of Total Sales	96%

**INSURANCE DETAILS:**

As on the date of this Prospectus, our company have any following insurance policies

(₹ in Lakh)

Sr. No.	Type of Policy	Sum Assured	Insurance Company	Policy No.	Valid from & Valid till
1	Vaccum Sweeper_AP39TP0921	36.00	Ifco-Tokio General Insurance	MH061750	November 25, 2020 to November 24, 2021
2	Hamm Tandem Roller-928_RJ-14-0-0001	23.42	The New India Assurance	121400 31200 100000000	September 21, 2020 to September 20, 2021
3	Hamm Tandem Roller-929_RJ-14-0-0001	23.42	The New India Assurance	121400 31200 100001179	September 21, 2020 to September 20, 2021
4	Benz Truck & Cement Spreader MH50N3200	12.79	ICICI Lombard	3008/221509779/00/000	May 30, 2021 to May 29, 2022
5	Cold Recycler_WR240	574.61	ICICI Lombard	5005/216891656/00/000	February 25, 2021 to February 24, 2022
6	Hamm Compactor NL01AC8670	96.46	National Insurance Co Ltd	240200 44211 0000002	June 05, 2021 to June 04, 2022
7	Toyota Innova Crysta	21.97	Reliance General Insurance	TRG/00105404	March 17, 2021 to March 16, 2022
8	Toyota Innova Crysta	23.17	Chola MS	TCH/97540933	March 25, 2021 to March 24, 2022
9	Bitumen Sprayer_RJ-26-GA-1748	7.50	The New India Assurance	121400 312001000 1810	February 27, 2021 to February 26, 2022
10	Tata Truck_AP 39 TC 9942	9.62	Shriram General Insurance	215032/31/21/009047	December 07, 2020 to December 06, 2021
11	Tata Truck_AP 39 TC 9944	8.26	Bajaj Allianz General Insurance	OG-21-1905-1811-00000734	December 07, 2020 to December 06, 2021
12	Tata Truck_AP 39 TC 9943	9.62	Shriram General Insurance	215032/31/21/009048	December 07, 2020 to December 06, 2021
13	Mahindra Bolero Camper_MH-50-7814	3.45	Bajaj Allianz General Insurance	OG-21-1905-1803-00004359	December 06, 2020 to December 05, 2021
14	Microsurfacing Paver_MH50N2300	133.09	Ifco-Tokio General Insurance	MF995368	September 24, 2020 to September 23, 2021

15	Microsurfacing Paver_MH-50-3400	170.28	Universal Sampo General Insurance	2316/62512462/00/000	January 31, 2021 to January 30, 2022
16	Microsurfacing Paver_MH-50-4300	148.45	Ifco-Tokio General Insurance	MF995392	September 24, 2020 to September 23, 2021
17	Office 501-502, CBD Belapur	19.81	SBI General Insurance	0000000019577972	November 05, 2020 to November 04, 2021

#### APPRECIATIONS

#### **NIRMAL BOT LIMITED**

(A subsidiary of Highway Concessions One Pvt. Ltd.)



### **Certificate of Appreciation**

Nirmal BOT Limited awarded Major Maintenance contract to **M/s. Markolines Traffic Controls Private Limited** for carrying out Bituminous overlay works from Km 282.617 (Kadthal) to Km 313.507 (Armoor) section of National Highway No. 44 in the state of Telangana. During the period of contract execution **M/s. Markolines Traffic Controls Private Limited** has implemented good traffic diversion arrangements, safety program & environmental initiatives which has resulted in achieving “**Zero –Lost Time Injury**”. We appreciate for their best efforts delivered them.

For NIRMAL BOT LTD



**VENKATA RAMANA JANNELLA**  
PROJECT MANAGER









## *Certificate of Registration*

**This Certificate certifies that the Occupational Health and Safety Management System of**

**MARKOLINES TRAFFIC CONTROLS PRIVATE LIMITED**

502, A Wing, Shree Nand Dham, Sector-11 CBD Belapur, Navi Mumbai  
Suburban, Maharashtra-400614, India.

**has been audited by ICV and found to be  
in compliance with the requirements of the standard**

**ISO 45001:2018**

**This certificate is valid for  
the following scope**

Roads & Highways - Construction, Routine and Major Maintenance, Microsurfacing & Cold in  
Place Recycling (CIPR), Toll Operations & Incident Management.

Certificate No.	: IN/3988763/5873
Certificate Issue Date	: 02/12/2020
1st Surveillance Due	: 02/11/2021
2nd Surveillance Due	: 02/11/2022
Date of Expiry	: 01/12/2023





**CEO**

**ICV ASSESSMENTS PVT. LTD.**

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• Validity of this Certificate is subject to completion of surveillance audit on or before of due date. In case  
Surveillance audit not allowed to be conducted this Certificate shall be suspended / withdrawal.

• This Certificate is intellectual Property of ICV and Certificate should be returned to ICV in case of non  
compliance of certification procedure. Authenticity of this certificate can be verified at [www.icvassessments.com](http://www.icvassessments.com)

## KEY INDUSTRY REGULATIONS AND POLICIES

*Except as otherwise specified in this Prospectus, the Companies Act, 2013, we are subject to several 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 providing efficient management solutions in Highway Operations, Highway maintenance, consultancy services and equipment sales. Taxation statutes such as the I.T. Act, and applicable Labour 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 Investors 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, its 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 187 of this Prospectus.

### APPLICABLE LAWS AND REGULATIONS

#### BUSINESS/TRADE RELATED LAWS/REGULATIONS

##### **The National Highways Act, 1956 (the "NHA")**

The NHA was enacted with the purpose to declare, take possession of and regulate highways in the national territory of India. The Act vests the responsibility of development and maintenance of the highways on Central/State Governments or subordinate authorities, and for the fulfilment of the said purpose, allows the Government to enter into agreements with parties. NHA and Rules issued thereunder also determines the functions, power and scope of such parties rendering services in developing and maintaining the highways.

##### **The National Highway Rules, 1957 (the "Rules")**

These Rules are issued u/s 8 of the NHA. The Rules *inter alia* lays down a detailed procedure of estimation of expenditure, commencement and completion of highways. Detailed process for inspection of works, progress report and competition report are provided for in the Rules. The Rules also provide for issuance of tender by the Government for execution of work and matters incidental thereto.

##### **National Highway Authority Act, 1988 (the “NHAI Act”)**

The NHAI Act vests power on the National Highway Authority to develop, maintain and manage the National Highways and any other Highways vested in, or entrusted to it by the Government. The NHAI Act also vests power on the Authority to carry on survey on these Highways, collect fees on behalf of the Central Government or the State Government for the services or benefits rendered by the respective Governments and engage any person to discharge any functions on behalf of the Authority.

##### **The National Highways (Collection of Fees by any Person for the Use of Section of National Highways/Permanent Bridge/Temporary Bridge on National Highways) Rules, 1997 (the “Rules”)**

The objective of these Rules is to lay down a mechanism for collection of fees by any person with whom the Government enters into an agreement with for the development and maintenance of a section of a national highway and/or a permanent bridge/temporary bridge on the highway. The Rules provide for the procedure and modalities connected with the collection of fees, vehicles exempted from payment of fees and the powers and functions of the person collecting the fees.

##### **The National Highways Fee (Determination of Rates and Collection) Rules, 2008 (the "NHF Rules")**

The NHF Rules, notified in 2008 under the National Highways Act, 1956, lays the procedure of levying and collection of fees at toll plazas at national highways. It provides that the fees so levied shall be collected either by the Central

Government, executing agency or the concessionaire (as defined u/s 2(d) of the Rules). The Rules also provide for establishment and location of toll plazas, exceptions to collection of fee, and matters incidental thereto.

### **The Indian Tolls Act, 1851 (the "ITA")**

The Act was enacted to enable the Government to levy tolls on public roads and bridges. It vests powers on the State Governments to levy tolls at such rates as it thinks fit, and, to appoint a collector for carrying out the said purpose. The Act also lays down the powers and responsibilities of the collectors so appointed.

### **The Control of National Highways (Land and Traffic) Act, 2002**

The Act was implemented to provide for control of land within the national highways, right of way, and traffic moving on the national highways and for removal of unauthorised occupation on the national highways. It provides for the constitution of Highway Administrations and establishment of Tribunals to be known as National Highway Tribunals, for the purposes of the Act.

### **The Micro, Small and Medium Enterprises Development Act, 2006 ("MSME Act")**

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.

The Central Government has vide its notification numbering 1702(E) dated June 1, 2020 amended the definition of MSME which has come into effect from July 1, 2020. The revised definition is as under:

- i. a micro enterprise, where the investment in Plant and Machinery or Equipment does not exceed one Crore rupees and turnover does not exceed five Crore rupees;
- ii. a small enterprise, where the investment in Plant and Machinery or Equipment does not exceed ten Crore rupees and turnover does not exceed fifty Crore rupees; and
- iii. a medium enterprise, where the investment in Plant and Machinery or Equipment does not exceed fifty Crore rupees and turnover does not exceed two hundred and fifty Crore rupees.

The MSMED Act provides for the memorandum of micro, small and medium enterprises to be submitted by the relevant enterprises to the prescribed authority.

The MSMED Act also provides for the establishment of the Micro and Small Enterprises Facilitation Council ('Council'). The Council has jurisdiction to act as an arbitrator or conciliator in a dispute between the supplier located within its jurisdiction and a buyer located anywhere in India.

### **Circular: F. No. RWINH- 33044/68/2016/S&R (R)**

The Circular is issued by the Ministry of Road Transport and Highways on 28.09.16 with respect to governing the use of Micro-surfacing for renewal course, maintenance and repair on National Highways. In view of this, it was decided by the Ministry that Micro-surfacing may be used as a preventive maintenance/renewal treatment as prescribed in the specifications.

## **LAWS RELATING TO SPECIFIC STATE WHERE ESTABLISHMENT IS SITUATED**

### **Shops and establishments laws in various states**

As per the provisions of local Shops and Establishments laws applicable in the state of Maharashtra, Gujarat, Madhya Pradesh, Rajasthan, Andhra Pradesh, Telangana, Tamil Nadu, Uttar Pradesh, Jharkhand and Haryana, 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.

## **Professions, Trade, Callings and Employments Act in various states**

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of Maharashtra, Gujarat, Madhya Pradesh, Tamil Nadu, Uttar Pradesh, Jharkhand, are empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the income of individuals, profits of business or gains of vocations. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such persons before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such persons and employer has to obtain the registration from the assessing authority in the prescribed manner.

## **Stamp Act in various states**

The purpose of Stamp Act was to streamline and simplify transactions of immovable properties and securities by the State Government. The Stamp Act provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule IA of the Stamp Act. Stamp duty is payable on all instruments/ documents evidencing a transfer or creation or extinguishment of any right, title or interest in immoveable property. However, under the Constitution of India, the states are also empowered to prescribe or alter the stamp duty payable on such documents executed within the states. Therefore, the State Government of Maharashtra, Gujarat, Madhya Pradesh, Rajasthan, Andhra Pradesh, Telangana, Tamil Nadu, Uttar Pradesh, Jharkhand and Haryana are empowered to prescribe or alter the stamp duty as per their need.

## **MAHARASHTRA**

### **The Maharashtra State Highways Act, 1955 (the “Act”)**

The Act vests the power with the State Government to declare any roads, ways or lands as highways by a notification. The Act provides for the restriction of ribbon development along highways, for prevention and removal of encroachment thereon, for the construction and maintenance and development of highways, for the levy of betterment charges for the survey and other incidental matters.

### **The Bombay Act No. III of 1875(The Tolls on Roads and Bridges Act, 1875) (the “Act”)**

Under the Act, the state government is vested with the power to place the collection of tolls as levied under the management of such person as may appear to it proper and all persons employed in the management and collection of such tolls shall be liable to the same responsibilities as would belong to them if employed in the collection of land revenue.

## **ANDHRA PRADESH**

### **The Andhra Pradesh Road Development Corporation Act, 1998 (the “Act”)**

The Act was enacted to provide for the establishment of the Andhra Pradesh Road Development Corporation for development and maintenance of roads, including highways, in the state of Andhra Pradesh and for matters connected therewith or incidental thereto. The Act empowers the State Government to mandatorily acquire lands for the purposes of this Act and entrust to the Corporation roads vested with the State Government, including highways.

## **GUJARAT**

### **The Gujarat Highways Act, 1955 (the “Act”)**

The Act vests powers with the State Government to declare any roads, ways or lands as highways. The Act provides for the restriction of ribbon development along highways, for prevention and removal of encroachment thereon, for the construction, maintenance and development of highways, for the levy of betterment charges for the survey and other incidental matters.

## **HARYANA**

### **Punjab Scheduled Roads and Controlled Areas Restriction of Unregulated Development Act, 1963 (the “Act”)**

The Act, post Amendments, applies to the State of Haryana. It vests powers with the State Government to declare certain areas as controlled areas and to regulate scheduled roads. The Act also lays down the punishment for breach of any provision of the Act.

**JHARKHAND****The Jharkhand Highways Act, 2005 (the “Act”)**

The Act vests powers with the State Government to declare any roads, ways or lands as highways. The Act empowers the State Government to make rules under the Act with respect to, *inter alia*, prohibition and restriction of certain vehicles, speed limit on road, driver's age limit, and to prohibit and restrict the use of any public road for a specified time period.

**The State Highways Authority of Jharkhand Act, 2007 (the “Act”)**

The Act was implemented to provide for the establishment of State Highways Authority of Jharkhand. The Act lays down the main functions of the Authority, i.e. to develop, maintain and manage the State Highways and any other highways vested in, or entrusted to, it by the State Government. The Act also provides for the constitution of a fund for the purposes of the Authority.

**MADHYA PRADESH****Madhya Pradesh Highway Act, 1936 (the “Act”)**

The Act was brought to regulate traffic on public roads and places in the state of Madhya Pradesh. The Act empowers the State Government to make rules under the Act with respect to, *inter alia*, prohibition and restriction of certain vehicles, speed limit on road, driver's age limit, and to prohibit and restrict the use of any public road for a specified time period.

**Madhya Pradesh Highway Rules, 1939 (the “Rules”)**

The Rules provide for restriction on obstruction of traffic, causing of inconvenience to passengers, etc on any Government Road or place by any person. The Rules also prohibits any damage or destruction caused to any property erected or affixed on Government roads or places.

**RAJASTHAN****Rajasthan State Highways Act, 2014 (the “Act”)**

The Act vests powers with the State Government to declare any roads, ways or lands as highways within the purview of this Act, and to regulate traffic in the highways. The Act also provides for the constitution of the Rajasthan State Highways Authority and determines its powers and functions. It lays down offences and penalties for non-compliance with the provisions of the Act.

**Rajasthan Highway Fee (Determination of Rates and Collection) Rules, 2015 (the “Rules”)**

These Rules are made u/s 9 of the Rajasthan Road Development Act, 2002. The Rules are made to govern and regulate the levying and collection of fees for use of sections of State highways, permanent bridges, bypasses and tunnels.

**TAMIL NADU****The Tamil Nadu Highways Act, 2001 (the “Act”)**

The Act vests the power with the State Government to declare any roads, ways or lands as highways within the purview of this Act. The Act restricts ribbon development along highways and provides for penalties in case of non-compliance. The Act also provides for the constitution of State Highways Authority and determines its powers and functions.

**TELANGANA****Telangana Road Development Corporation Act, 1998 (the “Act”)**

The Act in force has been adapted to the State of Telangana, under section 101 of the Andhra Pradesh Reorganisation Act, 2014. It provides for the establishment of Telangana State Transport Corporation, and determines its functions, powers and constituent members. The Act empowers the State Government to mandatorily acquire lands for the purposes of this Act and entrust to the Corporation roads vested with the State Government, including highways.



## **UTTAR PRADESH**

### **The Uttar Pradesh State Highways Authority Act, 2004 (the “Act”)**

The Act was implemented to provide for the establishment of Uttar Pradesh State Highways Authority on the lines of the National Highways Authority of India ACT, 1988. The Act lays down the main functions of the Authority, i.e. to develop, maintain and manage the State Highways and any other highways vested in, or entrusted to it by the State Government.

## **GENERAL CORPORATE COMPLIANCE**

### **Companies Act, 2013 (the “Companies Act”)**

The Companies Act, 2013, has replaced the Companies Act, 1956 in a phased manner. The Act received the assent of President of India on 29th August 2013.

The Companies 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 related to appointment of Directors. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of 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 a Company. The provisions relating to remuneration of the directors payable by the companies is under Part II of the said schedule.

### **The Registration Act, 1908 (“Registration Act”)**

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

## **EMPLOYMENT AND LABOUR LAWS**

### **The Code on Wages, 2019 (the “Code”)**

The Code received the assent of the President of India on August 8, 2019 and is published in the official gazette. The Code replaces the four existing ancient laws namely (i) the Payment of Wages Act, 1936, (ii) the Minimum Wages Act, 1948, (iii) the Payment of Bonus Act, 1965, and (iv) the Equal Remuneration Act, 1976. The Code will apply to all employees and allows the Central Government to set a minimum statutory wage.

### **The Code on Social Security, 2020 (the “Code”)**

The Code received the assent of the President of India on September 28, 2020 and is published in the official gazette. The code will replace the nine existing laws namely (i) The Employees’ Compensation Act, 1923 (ii) The Employees’ State Insurance Act, 1948 (iii) The Employees’ Provident Funds and Miscellaneous Provisions Act, 1952 (iv) The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 (v) The Maternity Benefit Act, 1961 (vi) The Payment of Gratuity Act, 1972 (vii) The Cine Workers Welfare Fund Act, 1981 (viii) The Building and Other Construction Workers Welfare Cess Act, 1996 (ix) Unorganised Workers’ Social Security Act, 2008. The Code extends to the whole of India and covers all employees and workers whether in the organised, unorganised or any other sector and other connected and incidental matters.

### **Child and Adolescent Labour (Prohibition and Regulation) Act, 1986 (the “Child Labour Act”)**

The Child Labour Act 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.

### **The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 (the “Act”)**

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.

## **TAX RELATED LEGISLATIONS**

### **Income Tax Act, 1961 (“IT Act”)**

The IT Act is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of the IT Act or Rules made thereunder depending upon its Residential Status and Type of Income involved. The IT Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every Company assessable to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like. Every such Company is also required to file its returns by September 30 of each assessment year.

### **Central Goods and Services Tax Act, 2017 (the "GST Act")**

The GST Act levies indirect tax throughout India to replace many taxes levied by the Central and State Governments. The GST Act was applicable from July 1, 2017 and combined the Central Excise Duty, Commercial Tax, Value Added Tax (VAT), Food Tax, Central Sales Tax (CST), Introit, Octroi, Entertainment Tax, Entry Tax, Purchase Tax, Luxury Tax, Advertisement Tax, Service Tax, Customs Duty, Surcharges. GST is levied on all transactions such as sale, transfer, purchase, barter, lease, or import of goods and/or services. India has adopted a dual GST model, meaning that taxation is administered by both the Union and State Governments. Transactions made within a single state is levied with Central GST (CGST) by the Central Government and State GST (SGST) by the government of that state. For inter-state transactions and imported goods or services, an Integrated GST (IGST) is levied by the Central Government. GST is a consumption-based tax; therefore, taxes are paid to the state where the goods or services are consumed and not the state in which they were produced.

## **ENVIRONMENTAL RELATED LAWS**

### **The Environment (Protection) Act, 1986 (the “Environment Protection Act”)**

The purpose of the Environment Protection Act is to act as an "umbrella" legislation designed to provide a framework 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.

### **National Environmental Policy, 2006**

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.

### **Water (Prevention and Control of Pollution) Act, 1974 (the “Water Act”)**

The Water Act was enacted in 1974 in order to provide for the prevention and control of water pollution by factories and manufacturing industries and for maintaining or restoring the wholesomeness of water. In respect to an Industrial Undertaking, it applies to the (i) Occupier (the owner and management of the undertaking) (ii) Outlet (iii) Pollution and (iv) Trade effluents. The Act requires that approvals be obtained from the corresponding Pollution Control Boards in the state.

### **Water (Prevention and Control of Pollution) Cess Act, 1971**

The Water (Prevention and Control of Pollution) Cess Act, 1971 provides for the levy and collection of a cess on water consumed by persons carrying on certain industries and by local authorities, with a view to augment the resources of the Central Board and the State Boards for the prevention and control of water pollution constituted under the Water (Prevention and Control of Pollution) Act, 1974.

### **Air (Prevention and Control of Pollution) Act, 1981, as amended (the “Air Act”)**

With a view to ensuring that the standards for emission of air pollutants are complied with, the State Government shall, in consultation with the State Board, give such instructions as may be deemed necessary to the concerned authority and such authority shall, notwithstanding anything contained in that Act or the rules made thereunder be bound to comply with such instructions.

### **The Public Liability Insurance Act, 1991**

Public Liability Insurance Act, 1991 provides for public liability insurance for the purpose of providing immediate relief to the persons affected by accident occurring while handling any hazardous substance and for matters connected therewith or incidental thereto. It is the duty of the owner to take out one or more insurance policies providing for contracts of insurance whereby he is insured against liability to give relief.

### **Petroleum Act, 1934 (“the Petroleum Act”)**

The Petroleum Act consolidates and amends the law relating to the import, transport, storage, production, refining and blending of petroleum. Petroleum may be any liquid hydrocarbon or mixture of hydrocarbons, and inflammable mixture (liquid, viscous or solid) containing any hydrocarbon, and includes natural gas and refinery gas. As per the Act no one shall import, transport or store any petroleum save in accordance with the rules made except in accordance with the conditions of any licence for the purpose which he may be required to obtain by rule made.

### **Petroleum Rules, 1976 (the “Petroleum Rules”)**

The Petroleum Rules are applicable to all buildings or places in which persons dwell or assemble where any combustible material is stored and includes docks, wharves, public roads and streets, public foot-paths and public parks, but do not include any building or place which forms part of an installation.

## **ANTI-TRUST LAWS**

### **Competition Act, 2002 (the “Act”)**

The Act is 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 anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act.

## **GENERAL LAWS**

Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Negotiable Instrument Act 1881, Employees Deposit Linked Insurance Scheme, 1976, The Employees Pension Scheme, 1995, Consumer Protection Act 2019, Indian Contract Act, 1872, Transfer of Property Act, 1882, Information Technology Act, 2000 etc.

## HISTORY AND CERTAIN OTHER CORPORATE MATTERS

### BRIEF HISTORY AND CORPORATE PROFILE

Our Company was originally incorporated as “Mark-O-Line Traffic Controls Private Limited” on November 08, 2002 at Pune, Maharashtra as a private limited company under the Companies Act, 1956 with the Registrar of Companies, Pune. The Registered office of our Company got shifted from Pune to Mumbai vide Certificate of Registration of Regional Director order for Change of State dated September 27, 2005. The name of our Company was changed from “Mark-O-Line Traffic Controls Private Limited” to “Markolines Traffic Controls Private Limited” vide Fresh Certificate of Incorporation consequent upon Change of Name pursuant to Shareholders Resolution passed at the Extra Ordinary General Meeting held on February 17, 2018. Further, our Company was converted into Public Limited Company pursuant to Shareholder’s resolution passed at the Extraordinary General Meeting of our Company held on April 19, 2021 and the name of our Company was changed to “Markolines Traffic Controls Limited” and a Fresh Certificate of Incorporation consequent upon conversion of Company to Public Limited dated August 10, 2021 was issued by Registrar of Companies, Mumbai, Maharashtra, being Corporate Identification Number U99999MH2002PLC156371.

Our Company is promoted by Mr. Sanjay Bhanudas Patil and Mr. Karan Atul Bora. Mr. Sanjay Bhanudas Patil is the guiding force behind all the strategic decisions of our Company and has been an anchor to our company since incorporation. Mr. Karan Bora, qualified Business Graduate the young Entrepreneur. Our Promoters have a long corporate and Entrepreneurial Experience. The promoters are the frontline force behind the company, they are leading the company from the front. In addition to our individual Promoters, our senior management team includes qualified, experienced and skilled professionals who have experience across various sectors. We believe the stability of our management team and the industry experience brought on by our individual Promoters and the senior management team will enable us to continue to take advantage of future market opportunities and expand into newer markets. Our senior management team is able to leverage our market position with their collective experience and knowledge in the Highway O&M industry, to execute our business strategies and drive our future growth. Our CFO have an experience of over two decades in the Highway Operations & Maintenance (O&M) industry.

Our company is successfully catering the needs of customers for almost two decades. Promoters’ industry knowledge and understanding gives us the key competitive advantage enabling us to expand our geographical and customer presence in existing as well as target markets, while exploring new growth avenues.

For information on our Company’s business profile, activities, services, managerial competence, and customers, see chapters titled, “*Our Business*”, “*Financial Statements as Restated*”, and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 94, 158 and 159 respectively of this Prospectus.

### CHANGES IN OUR REGISTERED OFFICE

At present our Registered Office is located at 502, A Wing, Shree Nand Dham, Sector 11, CBD Belapur Navi Mumbai 400614, Maharashtra India. Prior to this, following changes were made in the location of our Registered Office:

From	To	With effect from	Reason for Change
Plot No. 396/ 18, Anandvan Colony, Opp. Cattle Market, Karad- 415110, Satara District.		Upon Incorporation	
Plot No. 396/ 18, Anandvan Colony, Opp. Cattle Market, Karad- 415110, Satara District.	Flat No. 4A, Ganga Park, B wing, Pingle Vasti, Pune – 411 036.	Documents not traceable	To increase Operational Efficiency
Flat No. 4A, Ganga Park, B wing, Pingle Vasti, Pune – 411 036.	502, A Wing, Shree Nand Dham, Sector 11, CBD Belapur, Navi Mumbai- 400614, Maharashtra, India.	May 13, 2005	To increase Operational Efficiency

### MAJOR EVENTS AND MILESTONES

The table below sets forth some of the key events in the history of our Company:

Calendar Year	Particulars
2002	<ul style="list-style-type: none"> <li>Company was Incorporated as “Mark-o-line Traffic Controls Private Limited”</li> <li>Started Thermoplastic Road Marking</li> <li>Introduced the Extrusion Technology for Road Marking in India</li> </ul>
2009	Ventured into Highway Operation & Maintenance

2012	10 Toll Plazas Under Management Within A Short Span of Three Years
2014	Ventured into Microsurfacing
2016	<ul style="list-style-type: none"> <li>Started Major Maintenance &amp; Repairs (MMR) Services for Highways</li> <li>Received A Single Work Order of 125 Kms for MMR - Worth 150% of Earlier Year's Turnover</li> </ul>
2017	<ul style="list-style-type: none"> <li>300% Growth in Order Book Over Last Year in Highway</li> <li>Introduced Microsurfacing with Fiber in India</li> </ul>
2018	<ul style="list-style-type: none"> <li>Ventured into Cold-In-Place Recycling (CIPR)</li> <li>Executed First Airport Maintenance Project in India.</li> </ul>
2020	<ul style="list-style-type: none"> <li>Executed India's Largest BSM/CIPR of 142.918 Lane Kms /8.87 Lac Sqm</li> <li>Completed 9 Lakh SQM Out of 13 Lakh SQM of Microsurfacing with Fiber.</li> </ul>
2021	<ul style="list-style-type: none"> <li>Conversion into Public Limited as "Markolines Traffic Controls Limited"</li> <li>Applied for Change in Name of the Company from "Markolines Traffic Controls Limited" to "Markolines Pavement Technologies Limited" and we are yet to receive approval from the Registrar of Companies</li> </ul>

## MAIN OBJECTS OF OUR COMPANY

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

- To carry on in India and/or anywhere outside India, the business of Construction, Development, included therein quarrying, crushing, and mixing, Supply and Operation & Maintenances (O&M) or any other service or product for all infra segments such as Highways, Airports, Railways, Sea Ports, Roadways, Dams, Bridges, all type of Power Stations, any kind of transportation, logistics, Power, Oil & Gas, Irrigation, Healthcare, Water & Waste Management, Urban Infrastructure & Land Development and Construction, and Hospitality. including Toll Operation including Collection and Maintenance, Route Patrolling, Incident Management, Routine Maintenance of roads, Preventive maintenance, Minor & Major Maintenances and Repairs, landscaping and gardening of the roads, specialized technological activities such as Microsurfacing, Cold-in place Recycling or any other new technology in the Infra segment, Hospitality management, Man power supply, Security services, manufacturing, producing, processing, assembling, Installation, erection & commissioning, O&M, Marketing & Distribution, trading, importing and exporting, of any material, product, service and/or machinery related to and required for Infra and allied segments, including but not limited to giving the machinery of the Company on lease or on rental basis to other parties on rent fees or commission basis or royalty basis or enabling other players in the same industries to procure the machinery of the same kind and type, to procure raw material, finished products, semi-finished products, services by acting as enabler, facilitator, commission agent, traders, dealers, stockiest for the same.*
- To Carry on India and anywhere else outside India, either alone or jointly with one or more persons, Partnership firms, Private or limited companies, Government, Local or other bodies, NGOs, Trusts, or any other constitution the any business of Contracting, Subcontracting, manufacturing, producing, processing, assembling, Installation, erection & commissioning, O&M, Marketing & distribution, franchising, trading, importing and exporting, of any material, product, service and/or machinery related to and required for Infra and allied segments or any other industrial/domestic segment.*
- To carry out the business of provide integrated facility management Solutions to clients in India and /or elsewhere and offer them the customized solutions for various operations, services, soft skills, Information technology (IT) support systems, manpower requirement and act as a facilitator to carry out those activities. The various services included Mechanized /Manual Housekeeping, landscape & gardening, attendant services, logistic & transport, civil engineering services, electrical services, firefighting services, Environmental Services, engineering services, IT/ITES service, domestic services, catering services, urban & industrial services, advertisement services, Medical & para medical services, security services, office renovation and interiors which include maintenance services and IT operations, accounting and record keeping, HR services, procurement, bidding and tendering. It would also involve any other service tailor-made to suit clients need in enhancing or supporting their activities.*
- To carry on in India or elsewhere, either alone or jointly with one or more persons, government, local or other bodies, the business consultant, advisor, agent, broker, supervisor, administrator, contractor, sub-contractor, turnkey contractor project co-ordinator, Project management consultant, and manager in various Infra sectors such as Highways, Airports, Railways, Sea Ports, Roadways, Dams, Bridges, all type of Power Stations, any kind of transportation, logistics, Power, Oil & Gas, Irrigation, Healthcare, Water & Waste Management, Urban Infrastructure & Land Development and Construction, and Hospitality.*



**AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY IN LAST TEN (10) YEARS**

The following changes have been made in the Memorandum of Association of our Company in last ten (10) years:

Date of Meeting	Meeting	Nature of Amendment
09-02-2014	EGM	<p><b><u>ALTERATION IN OBJECT CLAUSE</u></b></p> <p><b><u>1. Deleting the existing Main Object Clause and Substituting the same with New Main Object Clause which is as follows:</u></b></p> <ol style="list-style-type: none"> <li>1. To carry on in India or abroad the business of manufacturing, producing, processing, commercializing, fabricating, maintaining, repairing, installing, preparing, building, constructing, equipping, assembling, altering, converting, manipulating, erecting, marketing, trading, importing and exporting hot applied thermoplastic road making material, cold paint road marking, reflective cautionary boards, road furniture, traffic safety equipments, required for road marking, micro surfacing, civil construction materials, paints, parts, appliances, accessories, machines, plants, apparatus, applications.</li> <li>2. To Carry on India and Abroad either alone or jointly with one or more persons, Government, Local or other bodies the business by providing well trained security personnel and service to corporate and industrial security, bank security/cash van with escort, residential security, construction site, commercial complex, hotel security, shopping mall security, event security, body guard/bouncers, protection to executive, electronic security, detection and private investigation And to provide security for protection of public and private property and protection of persons life, the security services, intelligence services to the various organization, body corporate and to act as technical advisors, arrangements of provide management personals in India and abroad and appointing property guards, detective persons, for providing safety personnel placement or on assignment basis for providing consultancy, advisory, services, manpower services such as security staff security/protection of housekeeping staff, fireman and also provide technical expertise and other experiences managerial staff to industries on turnkey basis.</li> </ol> <p><b><u>2. Object No.3 has been added to the Objects incidental or ancillary to the attainment of the Main Object as follows:</u></b></p> <ol style="list-style-type: none"> <li>1. To carry out the business of providing integrated facility Solutions to clients in India and /or elsewhere and offer them the customized solutions for various operations, services, softskills, Information technology (IT), support systems, manpower required and act as a facilitator to carry out those activities. The various services included Mechanised/Manual Housekeeping, landscape &amp; gardening, attendant services, logistic &amp; transport, civil engineering services, electrical services, firefighting services, Environmental Services, engineering services, IT/ITES service, domestic services, catering services, urban &amp; industrial services, advertisement services, Medical &amp; para medical, security services, office renovation and interiors which include maintenance services and IT operations, accounting and record keeping, HR services, procurement, bidding and tendering. It would also involve any other service tailor-made to suit clients need in enhancing or supporting their activities.</li> </ol>
17-02-2018	EGM	<p><b><u>ALTERATION IN NAME CLAUSE:</u></b></p> <p>Change in Name Clause from Mark-O-Line Traffic Controls Pvt Ltd to Markolines Traffic Controls Private Limited</p>
28-06-2020	EGM	<p><b><u>ALTERATION IN CAPITAL CLAUSE:</u></b></p> <p>Class A and Class B Equity Shares of the Company having face value of Rs. 100 to be sub-divided into Class A and Class B Equity Shares of Rs. 10 each</p>

Date of Meeting	Meeting	Nature of Amendment
31-07-2020	EGM	<p><b><u>ALTERATION IN CAPITAL CLAUSE:</u></b></p> <p>Reclassification of Class A Equity Shares having Differential Voting Rights into Ordinary Equity Shares</p>
27-10-2020	EGM	<p><b><u>ALTERATION IN OBJECT CLAUSE:</u></b></p> <p><b><u>Adoption of MOA as per Companies Act 2013 and addition in the main object clause along with other clause.</u></b></p> <p><i>To carry on in India and/or anywhere outside India, the business of Construction, Development, included therein quarrying, crushing, and mixing, Supply and Operation &amp; Maintenances (O&amp;M) or any other service or product for all infra segments such as Highways, Airports, Railways, Sea Ports, Roadways, Dams, Bridges, all type of Power Stations, any kind of transportation, logistics, Power, Oil &amp; Gas, Irrigation, Healthcare, Water &amp; Waste Management, Urban Infrastructure &amp; Land Development and Construction, and Hospitality. including Toll Operation including Collection and Maintenance, Route Patrolling, Incident Management, Routine Maintenance of roads, Preventive maintenance, Minor &amp; Major Maintenances and Repairs, landscaping and gardening of the roads, specialized technological activities such as Microsurfacing, Cold-in place Recycling or any other new technology in the Infra segment, Hospitality management, Man power supply, Security services, manufacturing, producing, processing, assembling, Installation, erection &amp; commissioning, O&amp;M, Marketing &amp; Distribution, trading, importing and exporting, of any material, product, service and/or machinery related to and required for Infra and allied segments, including but not limited to giving the machinery of the Company on lease or on rental basis to other parties on rent fees or commission basis or royalty basis or enabling other players in the same industries to procure the machinery of the same kind and type, to procure raw material, finished products, semi-finished products, services by acting as enabler, facilitator, commission agent, traders, dealers, stockiest for the same.</i></p>
19-04-2021	EGM	<p><b><u>ALTERATION IN NAME CLAUSE:</u></b></p> <p>Change in Name Clause from Markolines Traffic Controls Private Limited to Markolines Traffic Controls Limited</p>
12-04-2021	EGM	<p><b><u>ALTERATION IN CAPITAL CLAUSE:</u></b></p> <p>Increase in authorized share capital of the company to Rs. 20,00,00,000/-</p>

#### **DETAILS REGARDING ACQUISITION OF BUSINESS / UNDERTAKINGS, MERGERS, AMALGAMATIONS OR REVALUATION OF ASSETS**

Our Company has not made any material acquisitions or divestments of any business or undertaking, and has not undertaken any mergers, amalgamation or revaluation of assets in the last ten years.

#### **DETAILS REGARDING HOLDING / ASSOCIATE COMPANIES AND JOINT VENTURE**

As on date of filing of this Prospectus, our Company does not have any Holding / Associate Company or Joint Venture.

#### **SUBSIDIARY COMPANIES**

As on date of filing of this Prospectus, our Company does not have any subsidiary or Joint Venture Company.

#### **CAPACITY / FACILITY CREATION, LOCATION OF PLANTS**

Our Company is engaged in the business of Information Technology Services and hence capacity creation and related information is not applicable.

## **GUARANTEES PROVIDED BY OUR PROMOTERS**

As on the date of this Prospectus, no guarantee has been issued by Promoters except as disclosed in the “*Financial Indebtedness*” on page 175 of this Prospectus.

## **CHANGES IN THE ACTIVITIES OF OUR COMPANY DURING THE LAST FIVE YEARS**

There have been no changes in the activities of our Company during the last five years which may have had a material effect on the profits and loss account of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

## **DEFAULTS OR RESCHEDULING OF BORROWINGS FROM FINANCIAL INSTITUTIONS / BANKS**

There have been no defaults or rescheduling / restructuring of borrowings with financial institutions / banks in respect of borrowings of our Company.

## **LOCK OUTS AND STRIKES**

There have been no lock outs or strikes at any of the units of our Company.

## **TIME AND COST OVER RUNS**

Our Company has not implemented any projects and has therefore, not experienced any time or cost overrun in setting up of projects.

## **SHAREHOLDERS’ AGREEMENTS**

As on the date of this Prospectus, our Company has not entered into any Shareholders’ Agreements.

## **AGREEMENTS WITH KEY MANAGERIAL PERSONNEL OR A DIRECTOR OR PROMOTERS OR ANY OTHER EMPLOYEE OF THE COMPANY**

There are no agreements entered into by key managerial personnel or a Director or Promoter or any other employee of the Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

## **MATERIAL AGREEMENTS**

As on the date of this Prospectus, our Company has not entered into any material agreements other than in the ordinary course of business carried on by our Company. For details on business agreements of our Company, please refer to the section titled “*Our Business*” beginning on page 94 of this Prospectus.

## **STRATEGIC PARTNERS**

As of the date of this Prospectus, our Company does not have any Strategic Partners.

## **FINANCIAL PARTNERS**

As on the date of this Prospectus, apart from the various arrangements with bankers and financial institutions which our Company undertakes in the ordinary course of business, our Company does not have any other financial partners.

## OUR MANAGEMENT

### BOARD OF DIRECTORS

Under Articles of Association of our Company, the number of directors shall not be less than 3 (three) and not be more than 15 (Fifteen), subject to the applicable provisions of the Companies Act, 2013.

As of the date of this Prospectus, our Company has 5 (Six) Directors on the Board, 2 (Two) Executive Directors, 1 (One) Non-Executive Director and 2 (Two) Independent Directors.

Set forth below are details regarding the Board of Directors as on the date of this Prospectus:

Name, Father's/ Husband's Name, Age, Designation, Address, Occupation, Nationality, DIN and Term	Date of Appointment/ Reappointment	Other Directorships/Designated Partners
<b>Name:</b> Mr. Sanjay Bhanudas Patil <b>Father's Name:</b> Mr. Bhanudas Ramchandra Patil <b>DOB:</b> November 04, 1967 <b>Age:</b> 53 Years <b>Qualification:</b> Diploma in Mechanical Engineering <b>Experience:</b> 20+ years <b>Designation:</b> Chairman and Managing Director <b>Address:</b> Plot No. 396/1/8, Anandvan Colony, Opp. Cattle Market, Karad, Satara – 415110, Maharashtra, India <b>Occupation:</b> Business <b>Nationality:</b> Indian <b>DIN:</b> 00229052 <b>PAN:</b> ABAPP1767A <b>Term:</b> Re-appointed as Chairman and Managing Director with effect from August 20, 2021 to August 19, 2026.	Appointed as Director on November 08, 2002  Appointed as Managing Director on December 31, 2003  Re-appointed as Chairman and Managing Director on August 20, 2021	<b>Indian Public Limited Companies</b> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <b>Indian Private Limited Companies</b> <ul style="list-style-type: none"> <li>• Markolines Technologies Private Limited</li> <li>• Markolines Infra Private Limited</li> </ul> <b>Indian Companies Limited by Guarantee</b> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <b>Indian Limited Liability Partnerships</b> <ul style="list-style-type: none"> <li>• Nil</li> </ul>
<b>Name:</b> Mr. Karan Atul Bora <b>Father's Name:</b> Mr. Atul Indrakumar Bora <b>DOB:</b> June 05, 1993 <b>Age:</b> 28 Years <b>Qualification:</b> Bachelor of Engineering in Civil and Environmental	Appointed as Additional Director on April 01, 2020  Appointed as Executive Director on August 20, 2021	<b>Indian Public Limited Companies</b> <ul style="list-style-type: none"> <li>• NIL</li> </ul> <b>Indian Private Limited Companies</b> <ul style="list-style-type: none"> <li>• Markolines Technologies Private Limited</li> <li>• Anantnath Realtors Private Limited</li> </ul>

Name, Father's/ Husband's Name, Age, Designation, Address, Occupation, Nationality, DIN and Term	Date of Appointment/ Reappointment	Other Directorships/Designated Partners
<b>Experience:</b> 3 years  <b>Designation:</b> Executive Director  <b>Address:</b> E-404, 10 Kasturkunj, ICS Colony Bhosale Nagar, Near Anandmayi Ashram, Shivaji Nagar, Pune - 411007, Maharashtra, India  <b>Occupation:</b> Business  <b>Nationality:</b> Indian  <b>DIN:</b> 08244316  <b>PAN:</b> BHCPB8250P  <b>Term:</b> Appointed as Executive Director with effect from August 20, 2021 to August 19, 2026		<ul style="list-style-type: none"> <li>Markolines Infra Private Limited</li> <li>Ecojanitors Private Limited</li> </ul> <b>Indian Limited Liability Partnerships</b> <ul style="list-style-type: none"> <li>Nil</li> </ul>
<b>Name:</b> Ms. Kirtinandini Sanjay Patil  <b>Father's Name:</b> Mr. Arvind Yeshwantrao Dafle  <b>DOB:</b> September 10, 1967  <b>Age:</b> 53 Years  <b>Qualification:</b> HSC  <b>Experience:</b> 5+ years  <b>Designation:</b> Non-Executive Director  <b>Address:</b> 396/1/8, Anandvan Colony, Opp. Cattle Market, Karad, Satara – 415110, Maharashtra, India  <b>Occupation:</b> Business  <b>Nationality:</b> Indian  <b>DIN:</b> 09288282  <b>PAN:</b> ABAPP1768R  <b>Term:</b> Liable to retire by rotation	Appointed as Non-Executive Promoter Director on August 20, 2021  Appointed as Non-Executive Director on August 21, 2021	<b>Indian Public Limited Companies</b> <ul style="list-style-type: none"> <li>Nil</li> </ul> <b>Indian Private Limited Companies</b> <ul style="list-style-type: none"> <li>Nil</li> </ul> <b>Indian Limited Liability Partnerships</b> <ul style="list-style-type: none"> <li>Nil</li> </ul>
<b>Name:</b> Mrs. Anjali Shivaji Patil  <b>Father's Name:</b> Shivaji Uttam Patil  <b>DOB:</b> December 16, 1975  <b>Age:</b> 45 Years	Appointed as Independent Additional Director of the Company w.e.f August 17, 2021.  Appointed as Independent Director on August 20, 2021	<b>Indian Public Limited Companies</b> <ul style="list-style-type: none"> <li>Revati Organics Limited</li> <li>Universal Arts Limited</li> <li>Billwin Industries Limited</li> </ul>



Name, Father's/ Husband's Name, Age, Designation, Address, Occupation, Nationality, DIN and Term	Date of Appointment/ Reappointment	Other Directorships/Designated Partners
<p><b>Qualification:</b> Diploma in Business Management, Master of Management Sciences and Master in Business Studies.</p> <p><b>Experience:</b> 5+ Years</p> <p><b>Designation:</b> Independent Director</p> <p><b>Address</b> Plot No. 104, Flat No. 403, Ramya CHS, Shivam Nursing Home, Charkop, Sector 2, Kandivali (West), Mumbai - 40067, Maharashtra, India</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>DIN:</b> 02136528</p> <p><b>PAN:</b> AORPP3389L</p> <p><b>Term:</b> Appointed as Independent Additional Director with effect from August 17, 2021.</p>		<p><b>Indian Private Limited Companies</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <p><b>Indian Limited Liability Partnerships</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul>
<p><b>Name:</b> Mr. Akash Manohar Pathak</p> <p><b>Father's Name:</b> Mr. Manohar Ramkrishna Phatak</p> <p><b>Date of Birth:</b> March 05, 1968</p> <p><b>Age:</b> 53 years</p> <p><b>Qualification:</b> Bachelor of Engineering (Chemical)</p> <p><b>Experience:</b> 10+ years</p> <p><b>Designation:</b> Independent Director</p> <p><b>Address:</b> B1/704 Lunkad Collonade 7th Floor, Hissa No. 5/ Survey No. 211 Lohegaon Vimannagar Pune-411014, Dukrikline, Maharashtra, India</p> <p><b>Occupation:</b> Professional</p> <p><b>Nationality:</b> Indian</p> <p><b>DIN:</b> 09288697</p> <p><b>PAN:</b> AGIPP7158E</p> <p><b>Term:</b> Appointed as Independent Director for a period of 5 (Five) years with effect from August 20, 2021 to August 19, 2026.</p>	<p>Appointed as Independent Director of the Company w.e.f August 20, 2021.</p>	<p><b>Indian Public Limited Companies</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <p><b>Indian Private Limited Companies</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <p><b>Indian Limited Liability Partnerships</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul>

## BRIEF PROFILE OF OUR DIRECTORS

- 1. Mr. Sanjay Bhanudas Patil**, aged 53 years, is the Founder, Promoter, Chairman and Managing Director of our Company. He has completed Diploma in Mechanical Engineering. He is a self-driven individual who believes in teamwork. He is a dynamic leader with more than 20 years of experience in the business of Trading Industrial Goods, Construction, Infrastructure, O&M and allied services. He has a focused and result oriented approach in delivering high performance even during matching tight deadlines. He has expertise in forming Business Strategies and ensures timely implementation of the same. As a leader, he always delivers value to the customers and endeavour in fulfilling / exceeding their expectations.
- 2. Mr. Karan Atul Bora**, aged 28 years, is the Executive Director of our Company. He has completed Bachelor of Engineering in Civil and Environmental from Cardiff University Prifysgol Caerdydd. He is an Innovative thinker with Broad Based Expertise across sectors in operations, finance, project management and business development. He has proven ability to quickly analyse key business drivers and develop strategies to grow the bottomline. He is a high integrity energetic leader known for ability to envision and create successful outcomes in complex situations.
- 3. Ms. Kirtinandini Sanjay Patil**, aged 53 years, is the Non-Executive Director of our Company. She has completed Higher Secondary Education from Maharashtra State Board in the year 1984. She has more than 5 years of experience and working as freelancing interior designer.
- 4. Mrs. Anjali Shivaji Patil** aged 45 years, is an Independent Director of our Company. She was appointed as Independent Additional Director of our company with effect from August 17, 2021. She has completed her Bachelor of Science from University of Pune in the year 1997, Diploma in Business Management from Pune University in the year 1999. She has also completed her Master in Management Science with Special subject Marketing Management in the year 2003 and Master in Business Studies with special subject Human Resources Management in the year 2015 from Savitribai Phule Pune University. She is a keen planner, strategist and implementer with expertise in preparation of detailed objective based business plan.
- 5. Mr. Akash Manohar Pathak** aged 53 years, is an Independent Director of our Company. He was appointed as Independent Director of our company for a period of five years in the Extra Ordinary General Meeting of its members held on August 21, 2021 commencing from August 20, 2021 to August 19, 2026. He has completed his Bachelor of Engineering (Chemical) from University of Pune in the year 1996.

## CONFIRMATIONS

- Except as stated below, none of the Directors of our Company are related to each other as per Section 2(77) of the Companies Act, 2013.

Sr. No.	Name of the Director	Name of the Director	Relationship
1.	Mr. Sanjay Bhanudas Patil	Mrs. Kirtinandini Sanjay Patil	Spouse

- There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Directors or Key Managerial Personnel were selected as a Director or member of senior management.
- There are no service contracts entered into by the Directors with our Company providing for benefits upon termination of employment.
- As on the date of the Prospectus, none of our Directors are on the RBI List of willful defaulters.
- As on the date of the Prospectus, none of our Directors are Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
- As on the date of the Prospectus, none of our Director is or was a director of any listed Company during the last 5 (five) years preceding the date of this Prospectus, whose shares have been or were suspended from being traded on the Stock Exchange(s), during the term of their directorship in such Company.
- As on the date of the Prospectus, none of our Director is or was a director of any listed Company which has been or was delisted from any stock exchange during the term of their directorship in such Company.

- As on the date of the Prospectus, none of the Promoters, Persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoters, director or person in control of any other Company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- No proceedings / investigations have been initiated by SEBI against any Company, the Board of Directors of which also comprises any of the Directors of our Company.

#### REMUNERATION/ COMPENSATION TO OUR DIRECTORS

The compensation payable to our Directors will be governed as per the terms of their appointment and shall be subject to the provisions of Section 2(54), Section 2(94), Section 188, Section 196, Section 197, Section 198 and Section 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force). Set forth below is the remuneration paid by our Company to our Directors during the financial year ended March 31, 2021:

(₹ in Lakh)

Sr. No.	Name of Director	Remuneration paid
1.	Mr. Sanjay Bhanudas Patil	33.00
2.	Mr. Karan Atul Bora	29.00
	<b>Total</b>	<b>62.00</b>

#### TERMS AND CONDITIONS OF EMPLOYMENT OF OUR DIRECTORS

##### Mr. Sanjay Bhanudas Patil

Mr. Sanjay Bhanudas Patil was re-appointed as Chairman and Managing Director for a period of 5 (five) years commencing from August 20, 2021 to August 19, 2026. The significant terms of his employment are as below:

<b>Remuneration</b>	Rs. 6.00 Lakh per month
<b>Bonus and Profit-sharing Ratio</b>	Not Applicable
<b>Term</b>	Appointed as Chairman and Managing Director for a period of 5 (five) years commencing from August 20, 2021
<b>Remuneration in the event of loss or inadequacy of profits</b>	In the event of inadequacy or absence of profits in any financial years during his tenure, the Director will be paid remuneration as mentioned in Schedule V as may be approved by the Shareholders of the Company

##### Mr. Karan Atul Bora

Mr. Karan Atul Bora was appointed as Executive Director for a period of 5 (five) years commencing from August 20, 2021 to August 19, 2026. The significant terms of his employment are as below:

<b>Remuneration</b>	Rs. 3.50 Lakh per month
<b>Bonus and Profit-sharing Ratio</b>	Not Applicable
<b>Term</b>	Appointed as Executive Director for a period of 5 (five) years commencing from August 20, 2021
<b>Remuneration in the event of loss or inadequacy of profits</b>	In the event of inadequacy or absence of profits in any financial years during his tenure, the Director will be paid remuneration as mentioned in Schedule V as may be approved by the Shareholders of the Company

#### SITTING FEES

The payment of sitting fees to the Independent Directors of the Company for attending the meeting of the Board of Directors and meetings of the Committees of the Board of Directors in following manner:

Sr. No.	Name of Director	Fees for attending the meeting of	
		Board of Directors	Committee Meetings
1.	Mr. Karan Atul Bora	No Sitting fees, being Executive Director	
2.	Mrs. Kirtinandini Sanjay Patil	Rs.15,000/- per month irrespective of number of meetings in the month	
3.	Mr. Akash Manohar Phatak	Rs.15,000/- per month irrespective of number of meetings in the month	
4.	Mrs. Anjali Shivaji Patil	Rs.10,000/- per month irrespective of number of meetings in the month	

## BORROWING POWERS OF OUR BOARD

Our Articles of Association, subject to applicable law, authorize our Board to raise or borrow money or secure the payment of any sum of money for the purposes of our Company. Pursuant to a resolution passed by our shareholders at their Extra Ordinary General Meeting held on December 01, 2020, our shareholders have authorized our Board to borrow any sum of money from time to time notwithstanding that the sum or sums so borrowed together with the monies, if any, already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the paid up capital and free reserves of the Company provided such amount does not exceed ₹ 200.00 Crores over and above the aggregate of the paid up share capital and free reserves which may have not been set apart for any purpose.

## SHAREHOLDING OF DIRECTORS IN OUR COMPANY

Our Articles of Association do not require our Directors to hold qualification shares.

As on date of this Prospectus, our Directors hold the following number of Equity Shares of our Company:

Sr. No.	Name of Directors	No. of Equity Shares Held (Pre-Issue)	% of pre-Issue capital
1.	Mr. Sanjay Bhanudas Patil	54,04,640	38.66
2.	Mr. Karan Atul Bora	14,14,400	10.12
3.	Mrs. Kirtinandini Sanjay Patil	12,43,360	8.89
4.	Mrs. Anjali Shivaji Patil	Nil	Nil
5.	Mr. Akash Manohar Pathak	Nil	Nil
	<b>Total</b>	<b>80,62,400</b>	<b>57.67</b>

## INTEREST OF OUR DIRECTORS

### *Interest in promotion of our Company*

Our Directors, Mr. Sanjay Bhanudas Patil, Mrs. Kirtinandini Sanjay Patil and Mr. Karan Atul Bora may be deemed to be interested in the promotion of our Company to the extent of the Equity Shares held by them and also to the extent of any dividend payable to them and other distributions in respect of the Equity Shares held by them, if any. For further details, refer to chapters titled "**Our Promoters and Promoters Group**" and "**Related Party Transactions**" beginning on pages 148 and 156 of this Prospectus.

### *Interest in the property of our Company*

Except as stated in the heading titled "**Land and Properties**" under the chapter titled "**Our Business**" beginning on page 94 and chapter titled "**Related Party Transaction**" beginning on page 156 of the Prospectus, our Directors have not entered into any contract, agreement or arrangements within a period of 2 (two) years preceding the date of Prospectus 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 to be acquired by the Company except otherwise disclosed in the heading titled "**Land and Properties**" under the chapter titled "**Our Business**" beginning on page 94 of the Prospectus.

### *Interest as Member of our Company*

As on date of this Prospectus, our Directors holds 80,62,400 Equity Shares of the Company, the percent of the pre-issue paid up Equity Share Capital of our Company is 57.67%. Therefore, our Directors are interested to the extent of their respective shareholding and the dividend declared and other distributions, if any, by our Company, if any.

### ***Interest as Creditor of our Company***

As on the date of this Prospectus, except as stated in the chapter titled “*Statement of Financial Indebtedness*” and heading titled “*Related Party Transactions*” under chapter titled “*Financial Statements as Restated*”, our Company has not availed loans from Directors of our Company.

### ***Interest in the business of Our Company***

Further, save and except as stated otherwise in “*Statement of Related Parties’ Transactions*” in the chapter titled “*Financial Statements as Restated*” of this Prospectus, our Directors do not have any other interests in our Company as on the date of this Prospectus. Our Directors are not interested in the appointment of Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

### ***Interest as Directors of Our Company***

Our Managing Director and Executive Director may be interested to the extent of remuneration paid to them, respectively for services rendered as a Director of our Company and reimbursement of expenses payable to them. For details please refer “*Terms and conditions of employment of our Managing Director and Executive Director*” above. Further, all our Non-Executive and Independent Directors may be interested to the extent of fees payable to them and / or the commission payable to them for attending meetings of the Board of Directors or a committee thereof. The Independent Directors are paid sitting fees for attending the meetings of the Board and committees of the Board and may be regarded as interested to the extent of such sitting fees and reimbursement of other expenses payable to them as per their terms of appointment.

### ***Interest in transactions involving acquisition of land***

Our Directors are not currently interested in any transaction with our Company involving acquisition of land. Except as stated / referred to under the heading titled “*Land and Properties*” under chapter titled “*Our Business*” beginning on page 94 of this Prospectus, our Directors have not entered into any contract, agreement or arrangements in relation to acquisition of property, since incorporation 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.

### ***Other Interests***

Except as stated above, none of the beneficiaries of loans, advances and sundry debtors are related to the Directors of our Company.

No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which they are interested as a member by any person either to induce him to become, or to help him qualify as a Director, or otherwise for services rendered by him or by the firm or Company in which he is interested, in connection with the promotion or formation of our Company.

Further, our Directors may be directors on the board, or are members, or are partners, or are trustees of certain Group Entities and may be deemed to be interested to the extent of the payments made by our Company, if any, to such Group Entities. For the payments that are made by our Company to certain Group Entities, please refer “*Financial Statements as Restated*” beginning on page 158 of this Prospectus.

## **PAYMENT OF BENEFITS**

Except to the extent of remuneration payable to the Managing Director and Executive Director for services rendered to our Company and to the extent of other reimbursement of expenses payable to them as per their terms of appointment, our Company has not paid in the last 2 (two) years preceding the date of this Prospectus, and does not intend to pay, any amount or benefits to our Directors.

## **APPOINTMENT OF RELATIVES OF DIRECTORS TO ANY OFFICE OR PLACE OF PROFIT**

Except as disclosed in this Prospectus, none of the relatives of our Directors currently hold any office or place of profit in our Company.

## **BONUS OR PROFIT-SHARING PLAN FOR OUR DIRECTORS**

None of our Directors are a party to any bonus or profit-sharing plan.



## POLICIES ADOPTED BY OUR COMPANY

Our Company has adopted the following policies:

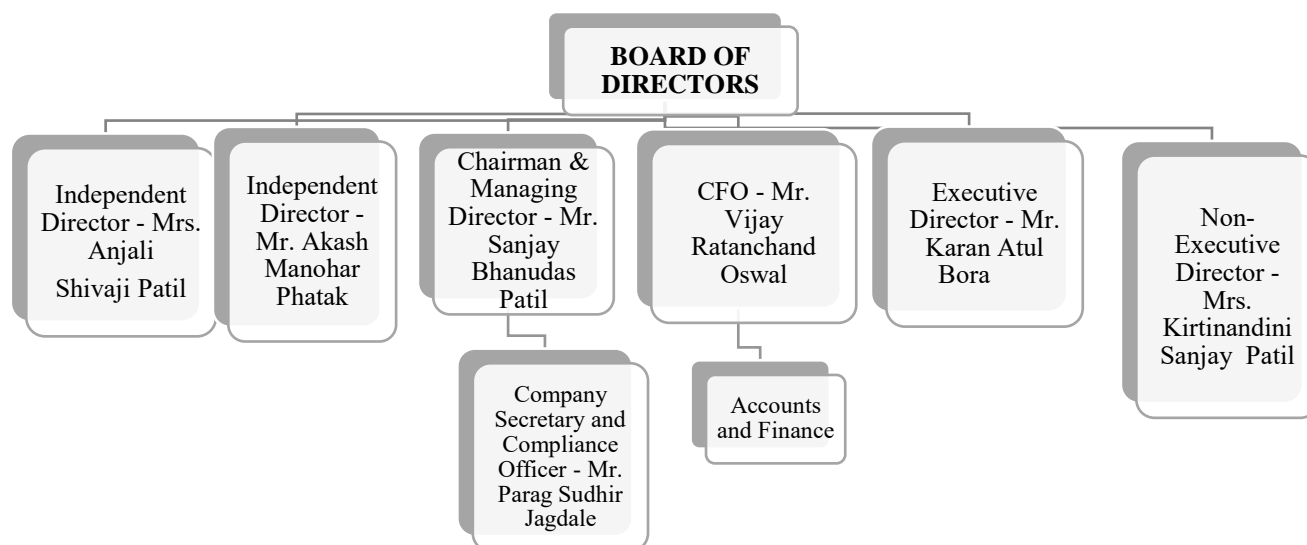
- Policy on Code of Conduct for Directors and Senior Management
- Policy of Audit Committee
- Policy of Nomination and Remuneration Committee
- Policy of Stakeholder Relationship Committee
- Policy of Corporate Social Responsibility Committee
- Policy on Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information
- Policy on Disclosure and Internal Procedure for Prevention of Insider Trading
- Policy on Whistle Blower and Vigil Mechanism
- Policy on Related Party Transactions (RPT)
- Policy for Preservation of Documents and Archival of Documents
- Policy for Prevention of Sexual Harassment
- Policy on Materiality for Disclosures of events to Stock Exchanges
- Policy on Code of Independent Directors and Familiarization of Independent Director
- Policy for identification of Materiality of outstanding Litigations involving Company, its subsidiaries, Directors, Promoters and other Group Companies
- Policy on Material Outstanding due to the Creditors

## CHANGES IN OUR BOARD DURING THE LAST THREE YEARS

Except as disclosed below, there have been no changes in our Board during the last 3 (three) years.

Sr. No.	Name	Date of Event	Event/ Reason
1.	Mr. Karan Atul Bora	April 01, 2020	Appointed as Additional Director
2.	Mrs. Anjali Shivaji Patil	August 17, 2021	Appointed as Additional Independent Director
3.	Mrs. Kirtinandini Sanjay Patil	August 20, 2021	Appointed as Additional Director
4.	Mr. Karan Atul Bora	August 20, 2021	Appointed as Executive Director
5.	Mr. Akash Manohar Phatak	August 20, 2021	Appointed as Independent Director
6.	Mr. Sanjay Bhanudas Patil	August 20, 2021	Re-appointed as Chairman and Managing Director
7.	Mrs. Anjali Shivaji Patil	August 20, 2021	Appointed as Independent Director
8.	Mrs. Kirtinandini Sanjay Patil	August 21, 2021	Appointed as Non-Executive Director
9.	Mr. Vijay Ratanchand Oswal	August 21, 2021	Cessation as Director

## ORGANISATION STRUCTURES



## CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013 with respect to Corporate Governance, provisions of the SEBI (LODR) Regulation, 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, 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 the various committees constituted to oversee specific operational areas.

As on the date of this Prospectus, there are 5 (Five) Directors on our Board out of which more than one third are Independent Directors. Our Company is in compliance with the corporate governance norms prescribed under the Companies Act, 2013, particularly, in relation to appointment of Independent Directors to our Board and constitution of Board-level committees.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI (LODR) Regulation, 2015 and the Companies Act, 2013.

## COMMITTEES OF OUR BOARD

The following committees have been constituted in terms of SEBI (LODR) Regulations, 2015 and the Companies Act, 2013:

- Audit Committee
- Stakeholders' Relationship Committee
- Nomination and Remuneration Committee

d. Corporate Social Responsibility Committee

e. Internal Complaints Committee

### **Audit Committee**

Our Company has constituted an Audit Committee ("**Audit Committee**"), as per Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulation, 2015; vide resolution passed at the meeting of the Board of Directors held on August 20, 2021.

The terms of reference of Audit Committee adheres to the requirements of Regulation 18 of the SEBI (LODR) Regulation, 2015, proposed to be entered into with the Stock Exchange in due course.

The committee presently comprises the following 3 (Three) directors:

Sr. No.	Name of Director	Status in Committee	Nature of Directorship
1.	Mr. Akash Manohar Phatak	Chairman	Independent Director
2.	Mrs. Anjali Shivaji Patil	Member	Independent Director
3.	Mr. Sanjay Bhanudas Patil	Member	Chairman and Managing Director

The Company Secretary & Compliance Officer of our Company shall act as the Secretary to the Audit Committee.

Set forth below are the scope, functions and the terms of reference of our Audit Committee, in accordance with Section 177 of the Companies Act, 2013 and Regulation 18(3) of the SEBI (LODR) Regulation, 2015.

### ***Meetings of Audit Committee and Quorum***

As required under Regulation 18 of the SEBI (LODR) Regulation, 2015, the Audit Committee shall meet at least 4 (four) times in a year, and not more than 120 (one hundred twenty) days shall elapse between two meetings. The quorum shall be two members present, or one-third of the members, whichever is greater, provided that there should be a minimum of two independent members present.

### ***Powers of Audit Committee***

The Audit Committee shall have powers, including the following:

- 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.

### ***Role of Audit Committee***

The role of the Audit Committee shall include the following:

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending to the Board the appointment, re-appointment and replacement, remuneration and terms of appointment of statutory auditor of the Company;
3. Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
4. Approving payments to statutory auditors for any other services rendered by the statutory auditors of the Company;
5. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

- a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-Section 3 of Section 134 of the Companies Act, 2013, as amended;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by the management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with SEBI Listing Regulations and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions; and
  - g. Qualifications / modified opinion(s) in the draft audit report.
6. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the board for approval;
  7. 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;
  8. Approval or any subsequent modification of transactions of our Company with related parties and omnibus approval for related party transactions proposed to be entered into by our Company subject to such conditions as may be prescribed;
  9. Formulating a policy on related party transactions, which shall include materiality of related party transactions;
  10. Scrutinizing of inter-corporate loans and investments;
  11. Valuing of undertakings or assets of the Company, wherever it is necessary;
  12. Evaluating of internal financial controls and risk management systems;
  13. Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
  14. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  15. 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;
  16. Discussing with internal auditors of any significant findings and follow up there on;
  17. 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;
  18. Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  19. 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;
  20. Reviewing the functioning of the whistle blower mechanism;
  21. Approving the appointment of the Chief Financial Officer (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate; and
  22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms

of reference as may be decided by the Board and/ or specified/ provided under the Companies Act, 2013 or SEBI Listing Regulations or by any other regulatory authority.

Further, the Audit Committee shall mandatorily review the following information:

- 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;
- management letters / letters of internal control weaknesses issued by the statutory auditors;
- internal audit reports relating to internal control weaknesses; and
- the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- statement of deviations: (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1); (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

### **Stakeholders' 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 August 20, 2021.

The Stakeholders' Relationship Committee comprises:

Sr. No.	Name of Director	Status in Committee	Nature of Directorship
1.	Mr. Akash Manohar Phatak	Chairman	Independent Director
2.	Mrs. Anjali Shivaji Patil	Member	Independent Director
3.	Mr. Sanjay Bhanudas Patil	Member	Chairman and Managing Director

The Company Secretary & Compliance Officer of our Company shall act as the Secretary to the Stakeholders' Relationship Committee.

The Stakeholders Relationship Committee shall oversee all matters pertaining to investors of our Company. The scope and function of the Stakeholders' Relationship Committee and its terms of reference shall include the following:

### ***Tenure***

The Stakeholder's 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's Relationship Committee as approved by the Board.

### ***Meetings***

The Stakeholder's Relationship Committee shall meet at least 1 (one) time in a year. The Chairperson of the Stakeholders Relationship Committee shall be present at the annual general meetings to answer queries of the security holders.

### ***Role of the Stakeholders' Relationship Committee***

The Committee shall consider and resolve grievances of security holders, including but not limited to:

1. Efficient transfer of shares including review of cases for refusal of transfer / transmission of shares and debentures;
2. Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate/split/consolidated share certificates;
3. Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer/ transmission of shares and debentures;



4. Allotment and listing of shares in future;
5. Review of cases for refusal of transfer / transmission of shares and debentures;
6. Reference to statutory and regulatory authorities regarding investor grievances;
7. Ensure proper and timely attendance and redressal of investor queries and grievances; and
8. To do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

#### **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 August 20, 2021. The said committee is comprised as under:

The Nomination and Remuneration Committee comprises the following Directors:

Sr. No.	Name of Director	Status in Committee	Nature of Directorship
1.	Mr. Akash Manohar Phatak	Chairman	Independent Director
2.	Mrs. Anjali Shivaji Patil	Member	Independent Director
3.	Mrs. Kirtinandini Sanjay Patil	Member	Non-Executive Director

The Company Secretary & Compliance Officer of our Company shall act as the Secretary of the Nomination and Remuneration Committee.

The scope and function of the Committee and its terms of reference shall include the following:

#### ***Tenure***

The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

#### ***Meetings***

The committee shall meet as and when the need arises for review of Managerial Remuneration. The quorum for a meeting of the nomination and remuneration committee shall be either two members or one third of the members of the committee, whichever is greater, including atleast one independent director in attendance.

#### ***Role of the Nomination and Remuneration Committee not limited to but includes:***

1. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulating of criteria for evaluation of performance of independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors of our Company and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. Our Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report of our Company;
5. Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
6. Analyzing, monitoring and reviewing various human resource and compensation matters;
7. Determining our Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
8. Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary),

usually consisting of a fixed and variable component;

9. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
10. Performing such functions as are required to be performed by the compensation committee under the SEBI (Share Based Employee Benefits) Regulations, 2014;
11. Framing suitable policies, procedures and systems to ensure that there is no violation, by and employee id any applicable laws in India or Overseas, including:
  - a. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
  - b. the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, our Company and its employees, as applicable.”
12. Performing such other activities as may be delegated by the Board of Directors and/or specified/ provided under the Companies Act, 2013 or SEBI Listing Regulations or by any other regulatory authority.

### **Corporate Social Responsibility Committee**

The Corporate Social Responsibility Committee shall formulate and recommend a CSR policy to the Board, the Company has constituted a Corporate Social Responsibility Committee pursuant to resolution of the Board of Directors dated August 23, 2021. The Corporate Social Responsibility Committee shall recommend the amount of expenditure to be incurred on the CSR activities to be undertaken by the company, monitor the CSR policy of the Company from time to time and establish the transparent controlling mechanism for the implementation of the CSR projects or programs or activities undertaken by the company as per the requirements of the Companies Act, 2013, Listing Agreement and SEBI LODR for Corporate Governance. The scope of the Corporate Social Responsibility Committee is enclosed as [Annexure D]. The Corporate Social Responsibility Committee consists of the following Directors.

Sr. No.	Directors	Designation	Nature of Directorship
1.	Mr. Akash Manohar Phatak	Chairman	Independent Director
2.	Mrs. Anjali Shivaji Patil	Member	Independent Director
3.	Mr. Sanjay Bhanudas Patil	Member	Chairman and Managing Director

**We further confirm that atleast one Director is an Independent Director.**

CS Parag Jagdale, Company Secretary & Compliance Officer of our Company shall act as the secretary to the Corporate Social Responsibility Committee.

### **Measures**

In the aforesaid backdrop, policy on CSR of MARKOLINES TRAFFIC CONTROLS LIMITED is broadly framed taking into account the following measures:

The CSR activities shall be undertaken by MARKOLINES TRAFFIC CONTROLS LIMITED, as stated in this Policy, as projects or programs or activities (either new or ongoing), excluding activities undertaken in pursuance of its normal course of business.

The CSR activities which are exclusively for the benefit of MARKOLINES TRAFFIC CONTROLS LIMITED employees or their family members shall not be considered as CSR activity.

MARKOLINES TRAFFIC CONTROLS LIMITED shall give preference to the local area or areas around it where it operates, for spending the amount earmarked for CSR activities.

The Board of MARKOLINES TRAFFIC CONTROLS LIMITED may decide to undertake its CSR activities as recommended by the CSR Committee, through a registered trust or a registered society or a company established by the company or its holding or subsidiary or associate company pursuant to Section 135 of the Companies Act, 2013 and rules made there-under.

The following is the list of CSR projects or programs which MARKOLINES TRAFFIC CONTROLS LIMITED plans to undertake pursuant to Schedule VII of the Companies Act, 2013:

1. eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
2. promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
3. promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
4. ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;
5. protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
6. measures for the benefit of armed forces veterans, war widows and their dependents;
7. training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;
8. contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
9. contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government
10. rural development projects;
11. Any other measures with the approval of Board of Directors on the recommendation of CSR Committee subject to the provisions of Section 135 of Companies Act, 2013 and rules made there-under.

### **Organisational mechanism and responsibilities**

#### **Constitution of Corporate Social Responsibility Committee**

The Board of Directors of the Company shall constitute a **Corporate Social Responsibility** Committee of the Board ("CSR Committee") consisting of three or more directors, out of which at least one director shall be an independent director.

The CSR Committee shall –

1. Formulate and recommend to the Board, a CSR policy and activities to be undertaken by the company as per Schedule VII;
2. Recommend the amount of expenditure to be incurred on the activities; and
3. Monitor the Policy of the company from time to time.

The Board of the company shall after taking into account the recommendations made by the CSR Committee, approve the policy for the company and disclose contents of such Policy in its report and also place it on the company's website and ensure that the activities as are included in the CSR Policy of the company are undertaken by the company.

MARKOLINES TRAFFIC CONTROLS LIMITED provide the vision under the leadership of its Chairman and Managing Director, Mr. Sanjay Bhanudas Patil.

At the Company, the Chairman and Managing Director takes on the role of the mentor, while the onus for the successful and time bound implementation of the CSR activities/projects is on the HR Head and CSR teams.

To measure the impact of the work done, a social satisfaction survey / audit is carried out by an external agency.

**Activities, setting measurable targets with timeframes and performance management:**

Prior to the commencement of CSR activities/projects, we carry out a baseline study of the nearby area/villages of the Company's Site Locations.

The study encompasses various parameters such as – health indicators, literacy levels, sustainable livelihood processes, and population data – below the poverty line and above the poverty line, state of infrastructure, among others.

From the data generated, a 1-year plan and a 5-year rolling plan are developed for the holistic and integrated development of the affected people.

All activities/projects of CSR are assessed under the agreed strategy, and are monitored every quarter/year, measured against targets and budgets. Wherever necessary, midcourse corrections are made.

**Budgets**

A specific budget is allocated for CSR activities and spending on CSR activities shall not be less than 2% of the average net profits of the Company made during the three immediately preceding financial years, in pursuance of this policy.

In case Company fails to spend such amount, the Board shall specify the reasons for not spending the amount.

Approving authority for the CSR amount to be spent would be any one Director or the Managing Director /Chief Financial Officer of the Company after due recommendation of CSR Committee and approval of the Board of Directors of the Company.

The CSR Policy mandates that the surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of a company.

The CSR projects or programs or activities undertaken in India only shall amount to CSR expenditure.

CSR expenditure shall include all expenditure including contribution to corpus, for projects or programs relating to CSR activities approved by the Board on the recommendation of the CSR Committee, but does not include any expenditure on any item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Companies Act 2013.

Tax treatment of CSR spent will be in accordance with the Income Tax Act as may be notified by CBDT.

**Information dissemination**

The Company's engagement in this domain is disseminated on its website & annual reports.

**Internal Complaints Committee**

An Internal Complaints Committee is constituted for our Company by the Board to look into the matters concerning sexual harassment pursuant to resolution of the Board of Directors dated August 23, 2021. The Internal Complaints consists of the following members:

Sr. No.	Name of Director	Status in Committee	Gender
1.	Ms. Yasmin Niyaz Momin	Presiding Officer	Female
2.	Ms. Vaishali Holmukhe	Member	Female
3.	Ms. Darshana Garg	Member	Female
4.	Mr. Prashant Mohite	Member	Male

A complainant can approach any member of the committee with her written complaint.

**Tenure**

The President and other members of the committee shall hold office for such period, not exceeding 3 (three) years, from the date of their nomination as may be specified by the employer.

### ***Scope***

This policy is applicable to employees, workers, volunteers, probationer and trainees including those on deputation, part time, contract, working as consultants or otherwise (whether in the office premises or outside while on assignment). This policy shall be considered to be a part of the employment contract or terms of engagement of the persons in the above categories.

Where the alleged incident occurs to our employee by a third party while on a duty outside our premises, the Company shall perform all reasonable and necessary steps to support our employee.

### ***What Constitutes Sexual Harassment?***

Sexual Harassment means such unwelcome sexually determined behaviour (directly or through implication), like physical contact and advances by the employee(s) including:

1. A demand or request for sexual favours, sexually coloured remarks, showing pornography, any other unwelcome physical conduct of sexual nature, lurid stares, physical contact or molestation, stalking, sounds, display of pictures, signs;
2. Eve teasing, innuendos and taunts, physical confinement against one's will;
3. A demand or request for sexual favours, whether verbally or non-verbally, where the submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment or promotion / evaluation of work thereby denying an individual equal opportunity at employment;
4. An act or conduct by a person in authority which makes the environment at workplace hostile or intimidating to a person or unreasonably interferes with the individual's privacy and productivity at work;
5. Verbal harassment of a sexual nature, such as lewd comments, sexual jokes or references, and offensive personal references; demeaning, insulting, intimidating, or sexually suggestive comments (oral or written) about an individual's personal appearance or electronically transmitted messages (Jokes, remarks, letters, phone calls);
6. Any other behaviour which an individual perceives as having sexual overtones.

### ***Redressal Mechanism:***

Once the complaint is received by the Committee:

- i. The person who is accused by the complainant will be informed that a complaint has been filed against him (he will be made aware of the details of the allegation and also the name of the complainant as it would be necessary for proper inquiry) and no unfair acts of retaliation or unethical action will be tolerated.
- ii. The complainant has the opportunity to ask for conciliation proceedings by having communication with the accused in the presence of the Committee. Please note that in such conciliation the complainant cannot demand monetary compensation.
- iii. The Committee shall provide the copies of the settlement as recorded during conciliation to the aggrieved employee and the respondent.
- iv. If the matter has been settled by conciliation but the respondent is not complying with the terms and conditions, the aggrieved party can approach the Committee for Redressal.
- v. The Committee will question both the complainant and the alleged accused separately. If required, the person who has been named as a witness will need to provide the necessary information to assist in resolving the matter satisfactorily.
- vi. The Committee shall call upon all witnesses mentioned by both the parties.
- vii. The Committee can ask for specific documents from a person if it feels that they are important for the purpose of investigation.



- viii. The complainant has the option to seek transfer or leave so that the inquiry process can continue smoothly and to prevent recurrence of similar situations or discomfort to the complainant. The leave can extend for a maximum period of 3 months. Leave granted under this provision will be paid leave and will not be counted in the number of leaves that the complainant is statutorily entitled to. The complainant may be required to work from home, if it is practicable, keeping in mind the nature of work of the complainant, health and mental condition. However, the complainant is under a good faith obligation and shall not abuse the process to request unjustifiably long periods of leave, keeping in mind the economic effects of the leave to the organization. The Committee shall have the discretion to grant leave of an appropriate duration, depending on the facts and circumstances of the case, or grant an alternate measure such as transferring the employee or the accused, as it deems fit.

Where leave is granted to the complainant, the Committee shall make best attempts to ensure speedy completion of the inquiry process and to minimize adverse economic consequences to the Company arising out of the absence of the complainant from the workplace.

- i. The complainant and the accused shall be informed of the outcome of the investigation. The investigation shall be completed within 3 months of the receipt of the complaint. If the investigation reveals that the complainant has been sexually harassed as claimed, the accused will be subjected to disciplinary action accordingly.
  - a. The report of the investigation shall be supplied to the employer (or the District Officer), the accused and the complainant within 10 days of completion of the investigation.
  - b. The employer or the District Officer will act on the recommendations of the Committee within 60 days of the receipt of the report.
- ii. The contents of the complaint made, the identity and addresses of the aggrieved employee, respondent and witnesses, any information relating to conciliation and inquiry proceedings, recommendations of the Internal Committee and the action taken by the employer shall not be published, communicated or made known to the public, press and media in any manner

Any party aggrieved by the report can prefer an appeal in the appropriate Court or Tribunal in accordance with the service rules within 90 days of the recommendation been given to the employer/ District Officer.

#### ***Disciplinary Action:***

Where any misconduct is found by the Committee, appropriate disciplinary action shall be taken against the accused. Disciplinary action may include transfer, withholding promotion, suspension or even dismissal. This action shall be in addition to any legal recourse sought by the complainant.

If it is found out through evidence by the Committee that the complainant has maliciously given false complaint against the accused, disciplinary action shall be taken against the complainant as well.

Regardless of the outcome of the complaint made in good faith, the employee lodging the complaint and any person providing information or any witness, will be protected from any form of retaliation. While dealing with complaints of sexual harassment, the Committee shall ensure that the complainant or the witness are not victimized or discriminated against by the accused. Any unwarranted pressures, retaliatory or any other type of unethical behavior by the accused against the complainant while the investigation is in progress should be reported by the complainant to the Complaints Committee as soon as possible. Disciplinary action will be taken by the Committee against any such complaints which are found genuine.

This policy shall be disseminated to each employee of the Company as well as new recruits who will have to acknowledge that they have read and understood the policy and that they shall abide by the policy.

#### **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 ("SEBI PIT Regulations") will be applicable to our Company immediately upon the listing of its Equity Shares on the SME Platform of BSE Limited. We shall comply with the requirements of the SEBI (PIT) Regulations on listing of Equity Shares on stock exchanges. Further, Board of Directors have formulated and adopted the code of conduct to regulate, monitor and report trading by its employees and other connected persons.

The Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the board.

## OUR KEY MANAGERIAL PERSONNEL

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company. Given below are the details of the Key Managerial Personnel of our Company as prescribed under the Companies Act, 2013:

### Mr. Sanjay Bhanudas Patil – Chairman and Managing Director

Mr. Sanjay Bhanudas Patil is the Chairman and Managing Director of our Company. For details, see “*Brief Profile of our Director*”, see “*Our Management*” chapter beginning on page 127 of this Prospectus.

### Mr. Vijay Ratanchand Oswal - Chief Financial Officer

Mr. Vijay Ratanchand Oswal, aged 53 years, is the Chief Financial Officer of our Company. He has completed Bachelor of Engineering in Chemical from the University of Poona. He is a reliable and self-motivated individual who believes only in Leading from Front. He has vast business experience of 20+ years in various field. He handles the responsibility of finance managing cashflows and allocating budgets to each department. Apart from this he is also responsible for managing the technical affairs of the Company, handling client's technical queries and project execution along with team building and training, administration and Human Resource activities of the company.

**Term of Office with expiration Date:** Appointed as Chief Financial Officer with effect from August 17, 2021

**Details of service contract:** Not Applicable

### Mr. Parag Sudhir Jagdale – Company Secretary & Compliance Officer

**Mr. Parag Sudhir Jagdale** aged 33 years is the Company Secretary and Compliance Officer of our company. He was appointed as Company Secretary and Compliance Officer of our company at the meeting of the Board of Directors with effect from August 17, 2021. He has completed his LLB from University of Pune in the year 2010. He is an Associate Member of Institute of Company Secretaries of India having membership No. 52205. He has an experience of 3 years in the field of Secretarial and legal.

**Term of Office with expiration Date:** Appointed as Company Secretary & Compliance Officer with effect from August 17, 2021.

**Details of service contract:** Not Applicable

**Function and areas of experience:** Responsible for complying with provisions, regulations, acts applicable to the company.

## STATUS OF KEY MANAGERIAL PERSONNEL

All our Key Managerial Personnel are permanent employees of our Company.

## RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL (KMPs)

Except as stated below, none of the above-mentioned key managerial personnel are related to each other and neither are they related to our Promoters or Directors. There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Key Managerial Personnel were selected as members of our senior management.

Sr. No	Name of the KMPs	Directors	Relationship
1.	Mr. Sanjay Bhanudas Patil	Mrs. Kirtinandini Sanjay Patil	Spouse

## RELATIONSHIP OF DIRECTORS / PROMOTERS WITH KEY MANAGERIAL PERSONNEL (KMPs)

None of the above-mentioned key managerial personnel are related to each other and neither are they related to our Promoters or Directors. There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Key Managerial Personnel were selected as members of our senior management.

## SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

As on date of this Prospectus, except as stated below, our Key Managerial Personnel do not hold any number of Equity Shares of our Company

Sr. No.	Name of Key Managerial Personnel	No. of Equity Shares Held (Pre-Issue)	% of pre-Issue capital
1.	Mr. Sanjay Bhanudas Patil	54,04,640	38.66
2.	Mr. Vijay Ratanchand Oswal	3,200	0.02
3.	Mr. Parag Sudhir Jagdale	NIL	NIL
	<b>Total</b>	<b>54,07,840</b>	<b>38.68</b>

## REMUNERATION/ COMPENSATION TO OUR KMPs

Set forth below is the remuneration paid by our Company to our KMPs for the financial year ended March 31, 2021:

(₹ in Lakh)			
Sr. No.	Name of KMPs	Designation	Remuneration paid
1.	Mr. Sanjay Bhanudas Patil	Chairman and Managing Director	33.00
2.	Mr. Vijay Ratanchand Oswal*	Chief Financial Officer	NIL
3.	Mr. Parag Sudhir Jagdale*	Company Secretary & Compliance Officer	NIL
	<b>Total</b>		<b>33.00</b>

\* appointed on August 17, 2021

## BONUS OR PROFIT-SHARING PLAN FOR OUR KEY MANAGERIAL PERSONNEL

As on the date of this Prospectus our Company does not have any performance linked bonus or profit-sharing plan with any of our 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 as on date of this Prospectus.

## LOANS TO KEY MANAGERIAL PERSONNEL

There is no loan outstanding against Key Managerial Personnel as on date of this 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 may also be interested 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 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 158 of this 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

Set forth below are the changes in our Key Managerial Personnel in the last 3 (three) years immediately preceding the date of this Prospectus:

Sr. No.	Name	Date of Event	Reason
1.	Mr. Vijay Ratanchand Oswal	August 17, 2021	Appointed as Chief Financial Officer
2.	Mr. Parag Sudhir Jagdale	August 17, 2021	Appointed as Company Secretary and Compliance Officer

## **EMPLOYEES STOCK OPTION SCHEME**

Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme as on the date of filing of this Prospectus.

## **PAYMENT OR BENEFIT TO OFFICERS OF OUR COMPANY**

Except as stated in this Prospectus and any statutory payments made by our Company, no non-salary amount or benefit has been paid, in two preceding years, or given or is intended to be paid or given to any of our Company's officers except remuneration of services rendered as Directors, officers or employees of our Company.

Except as stated in the chapter titled “***Financial Statements as Restated***” beginning on page 158 of this Prospectus, none of the beneficiaries of loans and advances and sundry debtors are related to our Company, our Directors, Our Key Managerial Personnel or our Promoters.

## **ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS**

None of our Key Managerial Personnel or Directors has been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others. For more information, please refer chapter titled “***Our History and Certain Other Corporate Matters***” beginning on page 122 of this Prospectus.

## OUR PROMOTERS AND PROMOTER GROUP

### OUR PROMOTERS

The Promoters of our Company are Mr. Sanjay Bhanudas Patil and Mr. Karan Atul Bora. As on the date of this Prospectus, Our Promoters together holds 68,19,040 Equity Shares, representing 48.78% of the pre-Issue issued, subscribed and paid-up Equity Share capital of our Company.

### BRIEF PROFILE OF OUR INDIVIDUAL PROMOTER

#### MR. SANJAY BHANUDAS PATIL



**Mr. Sanjay Bhanudas Patil**, aged 53 years, is the founding Promoter and is designated as Chairman and Managing Director of our Company. He was appointed on the Board of our Company w.e.f. November 08, 2002. He has completed Diploma in Mechanical Engineering. He is a self-driven individual who believes in teamwork. He is a dynamic leader with more than 20 years of experience in the business of Trading Industrial Goods, Construction, Infrastructure, O&M and allied services. He has a focused and result oriented approach in delivering high performance even during matching tight deadlines. He has expertise in forming Business Strategies and ensures timely implementation of the same.

**Date of Birth:** November 04, 1967

**PAN:** ABAPP1767A

**Passport No:** Z5262172

**Aadhar Card Number:** 8661 3900 2200

**Driving License:** MH11 19860000038

**Residential Address:** Plot No. 396/1/8, Anandvan Colony, Cattel Market, Tal. Karad, Dist. Satara - 415110, Maharashtra, India

**Name of Bank:** ICICI Bank

**Bank Account No.:** 087301504156

**Other Interest:**

- Markolines Infra Private Limited
- Markolines Technologies Private Limited



**MR. KARAN ATUL BORA**

**Mr. Karan Atul Bora**, aged 28 years, is the Promoter and is designated as Executive Director. He was appointed on the Board of our Company w.e.f. April 01, 2020. He has completed Bachelor of Engineering in Civil and Environmental from Cardiff University Prifysgol Caerdydd. He is an Innovative thinker with Broad Based Expertise across sectors in operations, finance, project management and business development. He has proven ability to quickly analyse key business drivers and develop strategies to grow the bottomline. He is a high integrity energetic leader known for ability to envision and create successful outcomes in complex situations.

**Date of Birth:** June 05, 1993

**PAN:** BHCPB8250P

**Passport No:** U8807469

**Aadhar Card Number:** 2718 4917 5349

**Driving License:** MH12 20090077838

**Residential Address:** E-404, 10 Kasturkunj, Bhosale Nagar, Near Anandmayi Ashram, Shivaji Nagar, Pune - 411007

**Name of Bank:** ICICI Bank

**Bank Account No.:** 000401222865

**Other Interest:**

- Markolines Infra Private Limited
- Markolines Technologies Private Limited
- Ecojanitors Private Limited
- Anantnath Realtors Private Limited

For the complete profile of our Promoters - educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements and business and financial activities, see “***Our Management***” on page 127 of this Prospectus.

## DECLARATION

We declare and confirm that the details of the permanent account number, passport number and bank account number of our Promoter will be submitted to the Stock Exchange where the Equity Shares are proposed to be listed at the time of filing this Prospectus.

## INTEREST OF OUR PROMOTERS

### *Interest of Promoters*

Our Promoters does not have any interest in our Company except to the extent of compensation payable / paid, rents on properties owned by him or his relatives but used by our company and reimbursement of expenses (if applicable) and to the extent of any equity shares held by him or his relatives and associates or held by the companies, firms and trusts in which he is interested as director, member, partner, and / or trustee, and to the extent of benefits arising out of such shareholding. For further details please see the chapters titled “***Capital Structure***”, “***Financial Statements as Restated***” and “***Our Management***” beginning on page 52, 158 and 127 of this Prospectus.

Except as stated otherwise in this Prospectus, we have not entered into any contract, agreements or arrangements in which our Promoters is directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company and development rights entered into by our Company other than in the normal course of business. For further details, please refer the section titled “**Related Party Transactions**” in chapter “**Financial Statements as Restated**” on page no. 158 of this Prospectus.

#### ***Interest in promotion of our Company***

Our Company is currently promoted by the Promoters in order to carry on its present business. Our Promoters is interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company.

#### ***Interest in the property, land, construction of building, supply of machinery, etc.***

Except as mentioned in the chapter titled ‘**Our Business**’ beginning on page 94 of this Prospectus, our Promoters do not have any other interest in any property acquired or proposed to be acquired by our Company in a period of 3 (three) years before filing of this Prospectus or in any transaction by our Company for acquisition of land, construction of building or supply of machinery or any other contract, agreement or arrangement entered into by our Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

#### ***Payment or Benefit to the Promoters or Promoter Group in the last 2 (two) years***

Except as stated above in “**Our Management**” and “**Financial Statements as Restated**” beginning on pages 127 and 158 respectively of this Prospectus, there has been no amount or benefit paid or given during the preceding 2 (two) years of filing Prospectus or intended to be paid or given to any Promoters or member of our Promoter Group and no consideration for payment of giving of the benefit.

### **MATERIAL GUARANTEES GIVEN TO THIRD PARTIES**

Except as stated in the “**Financial Information**” beginning on page 158 of this Prospectus, our Promoters have not given material guarantees to the third party(ies) with respect to the specified securities of our Company.

### **LITIGATION INVOLVING OUR PROMOTERS**

For details relating to legal proceedings involving the Promoters, please refer “**Outstanding Litigation and Material Developments**” beginning on page 182 of this Prospectus.

### **COMPANIES WITH WHICH OUR PROMOTERS HAVE DISASSOCIATED IN THE PRECEDING THREE YEARS**

Our Promoters have not disassociated themselves from any companies, firms or entities during the last three years preceding the date of this Prospectus

<b>Sr. No.</b>	<b>Name of Promoter</b>	<b>Name of Entity</b>	<b>Reason for Disassociation</b>	<b>Date of Disassociation</b>
1	Mr. Sanjay Bhanudas Patil	NIL	NIL	NIL
2	Mr. Karan Atul Bora	Foam Techniques Manufacturing India Private Limited	Cessation of Directorship	February 05, 2021

### **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 form part of our Promoter Group:**

<b>Relationship with the Promoter</b>	<b>Mr. Sanjay Bhanudas Patil</b>	<b>Mr. Karan Atul Bora</b>
Spouse	Mrs. Kirtinandini Sanjay Patil	--
Mother	Late Yashoda Bhanudas Patil	Ms. Arusha Atul Bora
Father	Late Bhanudas Ramchandra Patil	Mr. Atul Indrakumar Bora
Brother(s)	Mr. Avinash Bhanudas Patil	Mr. Kunal Atul Bora

<b>Relationship with the Promoter</b>	<b>Mr. Sanjay Bhanudas Patil</b>	<b>Mr. Karan Atul Bora</b>
Sister(s)	Ms. Shailaja Vansantrao Gaikwad	--
Son(s)	--	--
Daughter(s)	Ms. Sanskruti Sanjay Patil	--
Spouse's Mother	Ms. Ratanamala Arvindrao Dafle	--
Spouse's Father	Late Arvindrao Yashwantrao Dafle	--
Spouse's Sister(s)	--	--
Spouse's Brother(s)	Late Ashwin Arvind Dafle	--

***Individuals forming part of the Promoter Group:***

- Sunil Shankarrao Power
- Niyazahmed Sharifuddin Momin
- Rahul Ramkrishna Modak
- Sangram Vasant Gaikwad
- Vishwajit Vasantrao Gaikwad
- Geeta Kapoor
- Vijay Ratanchand Oswal
- Rajesh Ratanchand Oswal
- Pallavi Dhananjay Pawar
- Safala Vijay Oswal
- Kirti Ratanchand Oswal
- Jaya Vijay Oswal

**B. *Entities forming part of the Promoter Group:***

**Private Limited Company**

- KKB Trading Co. Private Limited
- KKB Properties Private Limited
- Markolines Infra Private Limited
- Markolines Technologies Private Limited
- Ecojanitors Private Limited

## OUR GROUP ENTITIES

The definition of ‘Group Companies’ as per the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, shall include such companies (other than promoter(s) and subsidiary / subsidiaries) with which there were related party transactions, during the period for which financial information is disclosed, as covered under the applicable accounting standards, and also other companies as considered material by the board.

In terms of the SEBI ICDR Regulations and in terms of the policy of materiality defined by the Board pursuant to its resolution dated August 20, 2021, our Group Companies includes:

1. Those companies disclosed as having related party transactions in accordance with Accounting Standard (“AS 18”) issued by the Institute of Chartered Accountants of India, in the Restated Financial Statements of the Company for the last three financial years,

Provided, companies which have been disclosed as related parties in the Restated Financial Statements of our Company for the last three financial years, and which are no longer associated with our Company have not been disclosed as Group Companies.

2. All such companies which the board has deemed to be material to be considered as Group Companies / Associates Companies.

Accordingly, Markolines Infra Private Limited and Markolines Technologies Private Limited have been identified as a Group Companies / Associate Companies.

## OUR GROUP COMPANIES

The details of our Group Companies are provided below:

### I. MARKOLINES INFRA PRIVATE LIMITED (“MIPL”)

MIPL was incorporated as Markoline Traffic Systems Private Limited on February 18, 2005 as a Private Limited company under the provisions of Companies Act, 1956 with the Registrar of Companies, Ministry of Corporate Affairs, Mumbai, Maharashtra. Subsequently the name of the Company got changed to Markoline Infra Private Limited and a fresh Certificate of Incorporation consequent to the change of name was granted on July 17, 2010 by Registrar of Companies, Mumbai. Further, the name of the Company changed from Markoline Infra Private Limited to Markolines Infra Private Limited and a fresh Certificate of Incorporation consequent to the change of name was granted on February 01, 2018 by Registrar of Companies, Mumbai. The registered office of MIPL is situated at 502-A Wing Shree Nand Dham, Sec-11, C B D Belapur, Navi Mumbai- 400614, Maharashtra, India. The Corporate Identification Number of MIPL is U45209MH2005PTC151429.

### *Nature of Business*

The main objects of MIPL include, *inter alia* carrying on:

1. To carry on in India and/or anywhere outside India, the business of Construction, Development, included therein quarrying, crushing, and mixing, Supply and Operation & Maintenances (O&M) or any other service or product for all infra segments such as Highways, Airports, Railways, Sea Ports, Roadways, Dams, Bridges, all type of Power Stations, any kind of transportation, logistics, Power, Oil & Gas, Irrigation, Healthcare, Water & Waste Management, Urban Infrastructure & Land Development and Construction, and Hospitality. including Toll Operation including Collection and Maintenance, Route Patrolling, Incident Management, Routine Maintenance of roads, Preventive maintenance, Minor & Major Maintenances and Repairs, landscaping and gardening of the roads, specialized technological activities such as Microsurfacing, Cold-in place Recycling or any other new technology in the Infra segment, Hospitality management, Man power supply, Security services, manufacturing, producing, processing, assembling, Installation, erection & commissioning, O&M, Marketing & Distribution, trading, importing and exporting, of any material, product, service and/or machinery related to and required for Infra and allied segments, including but not limited to giving the machinery of the Company on lease or on rental basis to other parties on rent fees or commission basis or royalty basis or enabling other players in the same industries to procure the machinery of the same kind and type, to procure raw material, finished products, semi-finished products, services by acting as enabler, facilitator, commission agent, traders, dealers, stockiest for the same.
2. To Carry on India and anywhere else outside India, either alone or jointly with one or more persons, Partnership firms, Private or limited companies, Government, Local or other bodies, NGOs, Trusts, or any other constitution the any

business of Contracting, Subcontracting, manufacturing, producing, processing, assembling, Installation, erection & commissioning, O&M, Marketing & distribution, franchising, trading, importing and exporting, of any material, product, service and/or machinery related to and required for Infra and allied segments or any other industrial/domestic segment.

- To carry out the business of provide integrated facility management Solutions to clients in India and /or elsewhere and offer them the customized solutions for various operations, services, soft skills, Information technology (IT) support systems, manpower requirement and act as a facilitator to carry out those activities. The various services included Mechanized /Manual Housekeeping, landscape & gardening, attendant services, logistic & transport, civil engineering services, electrical services, firefighting services, Environmental Services, engineering services, IT/ITES service, domestic services, catering services, urban & industrial services, advertisement services, Medical & para medical services, security services, office renovation and interiors which include maintenance services and IT operations, accounting and record keeping, HR services, procurement, bidding and tendering. It would also involve any other service tailor-made to suit clients need in enhancing or supporting their activities.
- To carry on in India or elsewhere, either alone or jointly with one or more persons, government, local or other bodies, the business consultant, advisor, agent, broker, supervisor, administrator, contractor, sub-contractor, turnkey contractor project co-ordinator, Project management consultant, and manager in various Infra sectors such as Highways, Airports, Railways, Sea Ports, Roadways, Dams, Bridges, all type of Power Stations, any kind of transportation, logistics, Power, Oil & Gas, Irrigation, Healthcare, Water & Waste Management, Urban Infrastructure & Land Development and Construction, and Hospitality.

### Financial Performance

(₹ in Lakh)

Particulars	FY 2020	FY 2019	FY 2018
Paid Up Capital	50.00	50.00	50.00
Reserves & Surplus	671.15	584.88	403.45
Net worth	721.15	634.88	453.45
Total Revenue (including other income)	4,746.36	5,688.86	3,614.95
Profit / (Loss) after Tax	139.00	181.43	98.74
Basic / Diluted EPS (face value of ₹ 10 each)	28	36	20
Net asset value per share (₹)	144.23	126.98	90.69

\* Financial for the FY 2021 are yet to be prepare.

There are no significant notes by the auditors of MIPL in relation to the above-mentioned financial statements for the specified last three audited Fiscals

## II. MARKOLINES TECHNOLOGIES PRIVATE LIMITED (“MTPL”)

MTPL was incorporated as Saatvi Infra Private Limited on October 28, 2013 as a Private Limited company under the provisions of Companies Act, 1956 with the Registrar of Companies, Maharashtra, Pune. Subsequently the name of the Company got changed to Markoline Technologies Private Limited and a fresh Certificate of Incorporation consequent to the change of name was granted on November 25, 2014 by Registrar of Companies, Pune. Further, the name of the Company changed from Markoline Technologies Private Limited to Markolines Technologies Private Limited and a fresh Certificate of Incorporation consequent to the change of name was granted on April 04, 2017 by Registrar of Companies, Mumbai. The registered office of MTPL is situated at C/O Kasturi Sales, 330 Market Yard, Gultekadi, Pune- 411009, Maharashtra, India. The Corporate Identification Number of MTPL is U45200PN2013PTC149282.

### Nature of Business

The main objects of MTPL include, *inter alia* carrying on:

- To engage in India and/or abroad in the business of Research and Development in the field of road pavement & maintenance technologies for supporting the various institutions, organizations, develop & manufacture mix designs, emulsions and provide technical support, consultation to various clients for feasibility & planning mix designs, emulsion production, machinery set up with respect to road pavement, surfacing, maintenance and also provide laboratory facilities for material testing, start-up assistance, crew training, supply of trained manpower for application and carry out turnkey jobs in the field of road pavement, surfacing & road maintenance.

2. To carry on in India and/or anywhere outside India, the business of Construction, Development, included therein quarrying, crushing, and mixing, Supply and Operation & Maintenances (O&M) or any other service or product for all infra segments such as Highways, Airports, Railways, Sea Ports, Roadways, Dams, Bridges, all type of Power Stations, any kind of transportation, logistics, Power, Oil & Gas, Irrigation, Healthcare, Water & Waste Management, Urban Infrastructure & Land Development and Construction, and Hospitality. including Toll Operation including Collection and Maintenance, Route Patrolling, Incident Management, Routine Maintenance of roads, Preventive maintenance, Minor & Major Maintenances and Repairs, landscaping and gardening of the roads, specialized technological activities such as Microsurfacing, Cold-in place Recycling or any other new technology in the Infra segment, Hospitality management, Man power supply, Security services, manufacturing, producing, processing, assembling, Installation, erection & commissioning, O&M, Marketing & Distribution, trading, importing and exporting, of any material, product, service and/or machinery related to and required for Infra and allied segments, including but not limited to giving the machinery of the Company on lease or on rental basis to other parties on rent fees or commission basis or royalty basis or enabling other players in the same industries to procure the machinery of the same kind and type, to procure raw material, finished products, semi-finished products, services by acting as enabler, facilitator, commission agent, traders, dealers, stockiest for the same. To Carry on India and anywhere else outside India, either alone or jointly with one or more persons, Partnership firms, Private or limited companies, Government, Local or other bodies, NGOs, Trusts, or any other constitution the any business of Contracting, Subcontracting, manufacturing, producing, processing, assembling, Installation, erection & commissioning, O&M, Marketing & distribution, franchising, trading, importing and exporting, of any material, product, service and/or machinery related to and required for Infra and allied segments or any other industrial/domestic segment.
3. To carry out the business of provide integrated facility management Solutions to clients in India and /or elsewhere and offer them the customized solutions for various operations, services, soft skills, Information technology (IT) support systems, manpower requirement and act as a facilitator to carry out those activities. The various services included Mechanized /Manual Housekeeping, landscape & gardening, attendant services, logistic & transport, civil engineering services, electrical services, firefighting services, Environmental Services, engineering services, IT/ITES service, domestic services, catering services, urban & industrial services, advertisement services, Medical & para medical services, security services, office renovation and interiors which include maintenance services and IT operations, accounting and record keeping, HR services, procurement, bidding and tendering. It would also involve any other service tailor-made to suit clients need in enhancing or supporting their activities.
4. To carry on in India or elsewhere, either alone or jointly with one or more persons, government, local or other bodies, the business consultant, advisor, agent, broker, supervisor, administrator, contractor, sub-contractor, turnkey contractor project co-ordinator, Project management consultant, and manager in various Infra sectors such as Highways, Airports, Railways, Sea Ports, Roadways, Dams, Bridges, all type of Power Stations, any kind of transportation, logistics, Power, Oil & Gas, Irrigation, Healthcare, Water & Waste Management, Urban Infrastructure & Land Development and Construction, and Hospitality.

### Financial Performance

(₹ in Lakh)

Particulars	FY 2020	FY 2019	FY 2018
Paid Up Capital	1.00	1.00	1.00
Reserves & Surplus	(43.63)	(95.29)	(99.17)
Net worth	(42.63)	(94.29)	(98.17)
Total Revenue (including other income)	140.57	80.59	109.53
Profit / (Loss) after Tax	51.66	3.88	3.75
Basic / Diluted EPS (face value of ₹ 10 each)	5,166	388	3,748
Net asset value per share (₹)	(4,262.83)	(9,428.75)	(9,817.12)

\* Financial for the FY 2021 are yet to be prepare.

There are no significant notes by the auditors of MTPL in relation to the above-mentioned financial statements for the specified last three audited Fiscals

### Litigations involving group companies

Except as stated in the chapter “*Outstanding Litigation and Material Developments*” on page 182, there are no litigation involving our group companies.



**Information regarding significant adverse factors related to the group companies and in particular regarding**

- Whether the Company has become a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 or is under winding up / insolvency proceedings: None of our Group Companies has become sick or is under winding up / insolvency proceedings
- whether the company has made a loss in the immediately preceding year and if so, the profit or loss figures for the immediately preceding three years: Except as stated in the chapter “*Our Group Entities*” on page 152, none of our group companies has made any loss in the immediately preceding year.

**DEFUNCT Companies**

None of the group companies had remained defunct and for which application was made to the Registrar of Companies for striking off the name of the company, during the five years preceding the date of filing offer document.

**Nature and Extent of Interest of Group Companies**

a. In Promotion of our Company

Except as stated in the chapter “*Financial Statements as Restated*” on beginning on page 158 of this Prospectus, none of our group companies any interest in the promotion of our Company.

b. In the properties acquired or proposed to be acquired by our Company in the past three years prior to filing this Prospectus

Except as stated in the chapter “*Financial Statements as Restated*” on beginning on page 158 of this Prospectus, none of our group companies are interested in the properties acquired or proposed to be acquired by our Company in the past three years prior to filing this Prospectus.

c. In transactions for acquisition of land, construction of building and supply of machinery

Except as stated in the chapter “*Financial Statements as Restated*” on beginning on page 158 of this Prospectus, none of our group companies are interested in any transaction for the acquisition of land, construction of building and supply of machinery.

**Common Pursuits between our Group Companies and our Company**

Our Group Companies have common promoter(s) / management.

**Related business transactions within the Group Companies and significance on the financial performance of our Company**

For more details on Related Business Transaction within the Group Companies and significance on the financial performance of our Company, please refer chapter titled “*Financial Statements as Restated*” on beginning on page 158 of this Prospectus.

**Business Interests amongst our Company and Group Company / Associate Company**

Other than the transactions discussed in chapter titled “*Financial Statements as Restated*” on beginning on page 158 of this Prospectus, there are no other related business transactions between the Company and Group Company.

**Other Confirmations**

- None of the securities of our Group Companies are listed on any stock exchange and none of our Group Companies have made any public or right issue of securities in the preceding three years.
- None of the Group Company have been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.
- None of the Group Companies / Entities are a Wilful Defaulter

## RELATED PARTY TRANSACTIONS

For details on Related Party Transactions of our Company, please refer to Annexure- XXXII of section titled “***Financial Statements as Restated***” beginning on page 158 of this Prospectus.

## **DIVIDEND POLICY**

Under the Companies Act, 2013, an Indian Company pays dividends upon a recommendation by its Board of Directors and approval by 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.

Dividends are payable within thirty days of approval by the Equity Shareholders at the annual general meeting of our Company and in case of interim dividend within thirty days of declaration by the Board of Directors. When dividend is declared, all the Equity Shareholders whose name 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 shareholders 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 IX: FINANCIAL INFORMATION**

**FINANCIAL STATEMENTS AS RESTATED**

<b>Sl. No.</b>	<b>Particulars</b>	<b>Page No.</b>
1	Restated Financial Statements	F – 1 to F – 29

**Independent Auditor's Report for the Restated Financial Statements of  
MARKOLINES TRAFFIC CONTROLS LIMITED**

**Auditor's Report on the Restated Financial Statement of Assets and Liabilities as at and for the financial years ended on March 31, 2021, 2020 and 2019, Restated Profit and Loss and Cash Flows for the financial years ended on March 31, 2021, 2020 and 2019 MARKOLINES TRAFFIC CONTROLS LIMITED (collectively, the "Restated Summary Statements")**

To  
The Board of Directors,  
MARKOLINES TRAFFIC CONTROLS LIMITED  
**(Formerly Known as Markolines Traffic Controls Private Limited)**  
502, A Wing, Shree Nand Dhamsector  
11, CBD Belapur Navi Mumbai-400 614  
Maharashtra, India

Dear Sir,

1. We have examined the attached Restated Statements of Assets and Liabilities of MARKOLINES TRAFFIC CONTROLS LIMITED (the "Company") along with significant accounting policies and related notes as at and for the financial years ended on March 31, 2021, 2020 and 2019, annexed to this report and prepared by the Company for the purpose of inclusion in the Offer Document (collectively the **"Restated Summary Statements"** or **"Restated Financial Statements"**). These Restated Standalone Summary Statements have been prepared by the company and approved by the Board of Directors of the company in connection with the Initial its proposed Initial Public Offering ("IPO") on the SME Platform of BSE Limited.
2. These Restated Standalone Summary Statements have been prepared in accordance with the requirements of:
  - i. Section 26 and 32 of Part I of Chapter III to the Companies Act, 2013 ("the Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014;
  - ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 (**"ICDR Regulations"**) issued by the Securities and Exchange Board of India (**"SEBI"**) in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments/ clarifications from time to time;
  - iii. In terms of Schedule VIII, Clause IX (9) of the SEBI (ICDR) Regulations, 2018 and other provisions relating to accounts of Markolines Traffic Controls Limited, we, Gupta Agarwal & Associates, Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board of the ICAI.
  - iv. The terms of reference to our engagements with the Company requesting us to carry out the assignment, in connection with the Draft Prospectus/ Prospectus being issued by the Company for its proposed IPO of equity shares on SME Platform of BSE Limited ("BSE"); and
  - v. The Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India ("Guidance Note").
3. The Restated Summary Statements of the Company have been extracted by the management from the Audited Financial Statements of the Company for the financial years ended on March 31, 2021, 2020 and 2019.
4. We have examined the accompanied 'Restated Statement of Profit and Loss' (Annexure – II) for the financial years ended on March 31, 2021, 2020 and 2019, and the 'Restated Statement of Assets and Liabilities' (Annexure – I) as on those date, forming Part of the 'Financial Information' dealt with by this Report, detailed below. Both read together with the Significant Accounting Policies (Annexure – IV) thereon, which are the responsibility of the Company's management. The information has been extracted from the financial statements for the financial years

ended on March 31, 2021 and 2020 audited by us, being the Statutory Auditors of the Company and from the financial statements for the financial year ended on March 31, 2019 audited by M/s. R. G. Mundada & Co., Chartered Accountants, being the then Statutory Auditor of the Company, which are all approved by the Board of Directors as on that date and upon which we have placed our reliance while reporting.

Based on our examination, we further report that:

- a) The Restated Statement of Assets and Liabilities of the Company for the financial years ended on March 31, 2021, 2020 and 2019, examined by us, as set out in Annexure I to this examination report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in the statement of significant accounting policies in Annexure IV.
  - b) The Restated Statement of Profit and Loss of the Company for the financial years ended on March 31, 2021, 2020 and 2019, examined by us, as set out in Annexure II to this examination report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in the statement of significant accounting policies in Annexure IV.
  - c) The Restated Statement of Cash Flows of the Company for the financial years ended on March 31, 2021, 2020 and 2019, examined by us, as set out in Annexure III to this examination report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in the statement of significant accounting policies in Annexure IV.
  - d) The Restated Financial Statements have been made after incorporating adjustments for:
    - i. The changes, if any, in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all the reporting period/years.
    - ii. Prior period and other material amounts in the respective financial years to which they relate.
  - e) There were no qualifications in the Audit Reports issued by Statutory Auditor (s) for the financial years ended on March 31, 2021, 2020 and 2019 which would require adjustments in this Restated Financial Statements of the Company.
5. We have also examined the following Financial Information relating to the Company, which is based on the Restated Financial Statements and approved by the Board of Directors of the Company and annexed to this report, is proposed to be included in the Offer Document: We have also examined the following financial information ("Other Financial Information") proposed to be included in the offer document prepared by the management and approved by the board of directors of the company and annexed to this report:
- Statement of Reconciliation of Restated profit after tax, as restated (Annexure – V)
  - Statement of Reconciliation of Restated Equity/Net Worth, as restated (Annexure – VI)
  - Statement of Share Capital, as restated (Annexure - VII)
  - Statement of Reserves & Surplus, as restated (Annexure - VIII)
  - Statement of Long Term Borrowings, as restated (Annexure- IX)
  - Statement of Long Term Provisions as restated (Annexure- X)
  - Statement of Deferred Tax Liabilities (Net), as restated (Annexure- XI)
  - Statement of Short Term Borrowings, as restated (Annexure- XII)
  - Statement of Trade Payables, as restated (Annexure XIII)
  - Statement of Other Current Liabilities, as restated (Annexure- XIV)
  - Statement of Short Term Provision, as restated (Annexure- XV)
  - Statement of Property, Plant and equipment, as restated (Annexure- XVI)
  - Statement of Non-Current Investments, as restated (Annexure- XVII)
  - Statement of Long Term Loans and Advances, as restated (Annexure – XVIII)
  - Statement of Inventories, as restated (Annexure - XIX)
  - Statement of Trade Receivables, as restated (Annexure - XX)
  - Statement of Cash and Cash Equivalents, as restated (Annexure - XXI)



- Statement of Short Term Loans and Advances, as restated (Annexure – XXII)
  - Statement of Other Current Assets, as restated (Annexure – XXIII)
  - Statement of Revenue from Operations, as restated (Annexure – XXIV)
  - Statement of Other Income, as restated (Annexure – XXV)
  - Statement of Cost of Material Consumed, as restated (Annexure – XXVI)
  - Statement of Changes in Inventories of W-I-P, as restated (Annexure – XXVII)
  - Statement of Employee Benefit Expenses, as restated (Annexure – XXVIII)
  - Statement of Finance Cost, as restated (Annexure – XXIX)
  - Statement of Depreciation and Amortization Expense, as restated (Annexure – XXX)
  - Statement of Other Expense, as restated (Annexure – XXXI)
  - Statement of Related Party Transactions, as restated (Annexure – XXXII)
  - Statement of Tax Shelter, as restated (Annexure – XXXIII)
  - Statement of Contingent Liabilities, as restated (Annexure – XXXIV)
  - Statement of Capitalisation, as restated (Annexure – XXXV)
6. In our opinion, the Restated Standalone Financial Statements and the other Financial Information set forth in Annexure I to XXXV read with the significant accounting policies and notes to the restated standalone financial statements have been prepared in accordance with section 26 and 32 of Companies Act, 2013 and the SEBI Regulations and the Guidance Note on the reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI).
7. Consequently the financial information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As a result of these regrouping and adjustments, the amount reported in the financial information may not necessarily be the same as those appearing in the respective audited standalone financial statements for the relevant years.
8. This report should not in any way construed as a reissuance or redrafting of any of the previous audit report issued by us nor should this report be construed as new opinion on any of the standalone financial statement referred to therein.
9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
10. This report is intended solely for your information and for inclusion in the Offer document in connection with the Company's proposed IPO of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent.

**For Gupta Agarwal & Associates**  
**Chartered Accountants**  
**Firm's Registration No. 329001E**

**Jay Shanker Gupta**  
**Partner**  
**Membership No. 059535**  
**UDIN: 21059535AAAAGA6589**

**Date: 27-08-2021**  
**Place: Kolkata**

**Markolines Traffic Controls Limited**

MARKOLINES TRAFFIC CONTROLS LIMITED (Formerly MARKOLINES TRAFFIC CONTROLS PRIVATE LIMITED)			
CIN: U99999MH2002PLC156371			
ANNEXURE - I			
RESTATED SUMMARY STATEMENT OF ASSET AND LIABILITIES			(Rs. In Lacs)
Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	87.37	87.37	87.37
Reserve And Surplus (excluding Revaluation Reserves, if any)	2,347.85	1,920.26	1,201.64
<b>Non Current Liabilities</b>			
Long-term Borrowings	1,639.28	1,945.48	1,958.37
Long-term Provisions	74.62	43.13	28.43
<b>Current Liabilities</b>			
Short-term Borrowings	1,123.73	1,157.81	1,310.01
Trade Payables	2,238.94	1,633.43	1,395.03
Other Current Liabilities	1,528.32	906.57	921.65
Short-term Provisions	1,711.89	1,335.17	412.66
<b>Total</b>	<b>10,751.99</b>	<b>9,029.24</b>	<b>7,315.17</b>
<b>II. Asset</b>			
<b>Non Current Asset</b>			
Fixed Asset			
(i) Tangible Asset	923.13	994.68	1,201.89
(ii) Intangible Asset	1.54	2.12	2.54
Non Current Investment	0.76	0.76	0.75
Deferred tax Asset (Net)	62.03	38.53	8.71
Long-term Loan and Advances	18.00	18.00	18.00
<b>Current Asset</b>			
Inventories	1,893.33	1,696.11	741.82
Trade Receivables	4,446.06	3,806.86	3,817.14
Cash and Cash Equivalents	32.45	31.96	44.26
Short-term Loan and Advances	146.49	223.84	15.27
Other Current Asset	3,228.20	2,216.37	1,464.79
<b>Total</b>	<b>10,751.99</b>	<b>9,029.24</b>	<b>7,315.17</b>

**Note:-**

The above statement should be read with the significant accounting policies (Annexure IV) and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexure I, II and III.

*As per our report attached of even date*

*For Gupta Agarwal & Associates*

*Chartered Accountants*

*FRN: 329001E*

*Jay Shanker Gupta*

*(Partner)*

*Mem No: 059535*

*UDIN: 21059535AAAAGA6589*

*Date : 27th Aug, 2021*

*Place : Kolkata*

For MARKOLINES TRAFFIC CONTROLS LIMITED

SANJAY BHANUDAS PATIL

MANAGING DIRECTOR

DIN: 00229052

KARAN ATUL BORA

DIRECTOR

DIN: 08244316

*Date: 26th Aug, 2021*

*Place: Navi Mumbai*

**Markolines Traffic Controls Limited**

MARKOLINES TRAFFIC CONTROLS LIMITED (Formerly MARKOLINES TRAFFIC CONTROLS PRIVATE LIMITED) CIN: U99999MH2002PLC156371 ANNEXURE - II			
RESTATED SUMMARY STATEMENT OF PROFIT AND LOSS			(Rs. In Lacs)
Particulars	For the year ending on 31.03.2021	For the year ending on 31.03.2020	For the year ending on 31.03.2019
Revenue from Operations	15,770.61	17,110.51	7,320.17
Other Income	25.91	43.98	28.37
<b>Total Revenue</b>	<b>15,796.52</b>	<b>17,154.49</b>	<b>7,348.54</b>
<b>Expenses:</b>			
Cost of Operation	5,959.39	7,240.34	2,992.99
Changes in inventories of W-I-P	(413.28)	(642.17)	(317.98)
Employee Benefits Expenses	3,193.86	2,404.28	793.65
Finance Costs	438.10	502.37	316.57
Depreciation and Amortization Expense	226.92	268.52	241.96
Other Expenses	5,712.22	6,327.05	2,958.36
<b>Total Expenses</b>	<b>15,117.22</b>	<b>16,100.39</b>	<b>6,985.55</b>
Profit before exceptional and extraordinary items and tax (A-B)	<b>679.30</b>	<b>1,054.10</b>	<b>362.99</b>
Exceptional/Prior Period items - Provisions for CSR	14.42	12.86	-
<b>Profit before extraordinary items and tax</b>	<b>664.88</b>	<b>1,041.24</b>	<b>362.99</b>
Extraordinary items	-	-	-
<b>Profit Before Tax</b>	<b>664.88</b>	<b>1,041.24</b>	<b>362.99</b>
Provision for Tax			
- Current Tax	260.80	352.44	139.90
- Earlier Year Taxes	-	-	-
- Deferred Tax Liability / (Asset)	(23.50)	(29.82)	(28.42)
<b>Restated profit after tax for the period from continuing operations</b>	<b>427.59</b>	<b>718.62</b>	<b>251.51</b>
<b>Restated profit for the period</b>	<b>427.59</b>	<b>718.62</b>	<b>251.51</b>

**Note:-**

The above statement should be read with the significant accounting policies (Annexure IV) and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexure I, II and III.

**As per our report attached of even date**  
**For Gupta Agarwal & Associates**  
**Chartered Accountants**  
**FRN: 329001E**

**Jay Shanker Gupta**  
**(Partner)**  
**Mem No: 059535**  
**UDIN: 21059535AAAAGA6589**  
**Date : 27th Aug, 2021**  
**Place : Kolkata**

**For MARKOLINES TRAFFIC CONTROLS LIMITED**

**SANJAY BHANUDAS PATIL**  
**MANAGING DIRECTOR**  
**DIN: 00229052**

**KARAN ATUL BORA**  
**DIRECTOR**  
**DIN: 08244316**

**Date : 26th Aug, 2021**  
**Place : Navi Mumbai**

**Markolines Traffic Controls Limited**

MARKOLINES TRAFFIC CONTROLS LIMITED			
(Formerly MARKOLINES TRAFFIC CONTROLS PRIVATE LIMITED)			
CIN: U99999MH2002PLC156371			
ANNEXURE - III			
RESTATED SUMMARY STATEMENT OF CASH FLOW			(Rs. In Lacs)
Particulars	For the year ending on 31.03.2021	For the year ending on 31.03.2020	For the year ending on 31.03.2019
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit before tax	664.88	1,041.24	362.99
<b>Adjustment for :</b>			
Add Depreciation	226.92	268.52	241.96
Add Finance Cost	438.10	502.37	316.57
Add Loss on sale of Fixed assets	20.44	5.64	21.57
Less Interest on Income Tax Refund	-	-	-
Less Interest received	(19.58)	(29.13)	(17.39)
Less Profit on sale of Investment	-	-	-
Add: Proviion for CSR	14.42	12.86	-
<b>Operating profit before working capital changes</b>	<b>1,345.19</b>	<b>1,801.51</b>	<b>925.70</b>
<b>Adjustment for :</b>			
(Increase)/Decrease in Trade Receivable	(639.20)	10.28	(2,199.58)
(Increase)/Decrease in Inventories	(197.22)	(954.29)	(212.78)
(Increase)/Decrease in Short-term Loan and Advances	77.35	(208.57)	6.67
(Increase)/Decrease in Other Current Asset	(1,011.83)	(751.58)	(693.23)
Increase/(Decrease) in Trade Payables	605.51	238.40	865.14
Increase/(Decrease) in Provisions	101.50	592.20	157.76
Increase/(Decrease) in Other Current Liabilities	621.75	(15.09)	480.78
<b>Net Adjustments</b>	<b>(442.14)</b>	<b>(1,088.66)</b>	<b>(1,595.26)</b>
Cash generated from / (used in) operations	903.05	712.85	(669.56)
Income Tax Paid (Net)	-	(34.98)	-
<b>Net cash generated from/(used in) Operating Activities - (A)</b>	<b>903.05</b>	<b>677.87</b>	<b>(669.56)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Net (Purchase)/Sale of tangible fixed assets	(175.23)	(66.53)	(683.34)
Sale / (Purchase ) of Investments	-	(0.01)	-
(Increase)/Decrease in Long-term Loan and Advances	-	-	(1.42)
Interest Received	19.58	29.13	17.39
<b>Net cash generated from/(used in) Investing Activities - (B)</b>	<b>(155.65)</b>	<b>(37.42)</b>	<b>(667.37)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from Issue of Shares	-	-	-
Increase/(Decrease) in Long-term Borrowings	(306.21)	(12.88)	1,269.17
Increase/(Decrease) in Short-term Borrowings	(34.08)	(152.20)	365.06
Increase/(Decrease) in Long-Term Provisions	31.49	14.70	18.20
Finance cost	(438.10)	(502.37)	(316.57)
<b>Net cash generated from/(used in) Financing Activities - (C)</b>	<b>(746.90)</b>	<b>(652.76)</b>	<b>1,335.86</b>
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	<b>0.50</b>	<b>(12.29)</b>	<b>(1.07)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>31.96</b>	<b>44.26</b>	<b>45.33</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>32.46</b>	<b>31.96</b>	<b>44.26</b>

**Markolines Traffic Controls Limited**

**MARKOLINES TRAFFIC CONTROLS LIMITED**  
**(Formerly MARKOLINES TRAFFIC CONTROLS PRIVATE LIMITED)**  
**CIN: U99999MH2002PLC156371**

**Note:-****1. Components of cash and cash equivalents:**

Particulars	31.03.2021	31.03.2020	31.03.2019
Cash on hands	31.32	30.58	37.88
Balances with Banks			
-In current accounts	1.13	1.37	6.38
<b>Toatal Cash and Cash Equivalents</b>	<b>32.45</b>	<b>31.96</b>	<b>44.26</b>

1. The above cash flow statement has been prepared under the indirect method setout in AS-3 issued by the Insitute of Chartered Accountants of India.

2. Figures in Brackets represents outflow.

3. The above statement should be read with significant accounting policies (Annexure IV) and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing I, II and III.

**As per our report attached of even date****For Gupta Agarwal & Associates****Chartered Accountants****FRN: 329001E****Jay Shanker Gupta****(Partner)****Mem No: 059535****UDIN: 21059535AAAAGA6589****Date : 27th Aug, 2021****Place : Kolkata****For MARKOLINES TRAFFIC CONTROLS LIMITED****SANJAY BHANUDAS PATIL****MANAGING DIRECTOR****DIN: 00229052****KARAN ATUL BORA****DIRECTOR****DIN: 08244316****Date : 26th Aug, 2021****Place : Navi Mumbai**

**MARKOLINES TRAFFIC CONTROLS LIMITED**  
**(Formerly: MARKOLINES TRAFFIC CONTROLS PRIVATE LIMITED)**  
**CIN : U99999MH2002PLC156371**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**Annexure-IV**

**SIGNIFICANT ACCOUNTING POLICIES**

**(A) Corporate Information:**

The Company was originally incorporated on November 8, 2002 vide Certificate of Incorporation bearing Registration Number 156371 issued by the Registrar of Companies, Mumbai with the name & style of MARK-O-LINE TRAFFIC CONTROLS PRIVATE LIMITED. The company changed its name to MARKOLINES TRAFFIC CONTROLS PRIVATE LIMITED with approval of Central Government and ROC dated March 12, 2018 and again company converted to public limited company and changed its name to MARKOLINES TRAFFIC CONTROLS LIMITED with approval of Central Government and ROC dated August 10, 2021. The company has passed shareholders resolution to change its name to "Markolines Pavement Technologies Limited" vide EGM dated 17<sup>th</sup> August, 2021, however the name change approval is not yet approved by ROC.

The Company is engaged in the business of providing highway operations & maintenance services. Since inception the Company has shown increasing trend in the revenues by endeavoring to reach consumers at large by providing quality products.

**(B) Basis of Preparation:**

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies have been consistently applied except where specifically stated in financial statement and notes to accounts of the non-conformity with the relevant Accounting Standard.

**(C) Significant Accounting Policies:**

**(a) Use of Estimates:**

The preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the end of the reporting period and the reported amounts of revenue and expenses during the reported period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the Carrying amounts of Assets or Liabilities in future periods.

**(b) Property, Plant and equipment:**

Property, Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment loss, if any. The cost of an asset comprises of its purchase price and any directly attributable cost of bringing the assets to working condition for its intended use. Expenditure on additions, improvements and renewals is capitalized and expenditure for maintenance and repairs is charged to profit and loss account.

Depreciation is provided on Written Down value basis based on life assigned to each asset in accordance with Schedule II of the Act or as per life estimated by the Management.

An asset is treated as impaired asset when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to the profit & loss account is identified as impaired. The impairment loss



**MARKOLINES TRAFFIC CONTROLS LIMITED**  
**(Formerly: MARKOLINES TRAFFIC CONTROLS PRIVATE LIMITED)**  
**CIN : U99999MH2002PLC156371**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

recognized in prior accounting period is reversed if there has been changed in the estimate of recoverable amount.

**(c) Revenue Recognition:**

Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection. Revenue from sale of goods or services are recognized on delivery of the products or services, when all significant contractual obligations have been satisfied, the property in the goods is transferred for price, significant risk and rewards of ownership are transferred to the customers and no effective ownership is retained.

In the financial statement, revenue from operation does not include Indirect taxes like sales tax and/or Goods & service tax.

**(d) 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 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 Investments.

On disposal of investment, the difference between its carrying amount and net disposal proceeds are charged or credited to the statement of profit and loss.

**(e) Inventories:**

Inventory of W-I-P and Raw materials are valued at lower of cost and net realizable value. Cost is determined on FIFO basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

There is no stock of Finished goods lying with the company.

**(f) Employee Benefits:**

Retirement benefit in the form of provident fund is a defined contribution scheme. The contribution to the provident fund is charged to the statement of profit and loss for the year when an employee renders the related services.

During the financial years 2020-21, 2019-20 and 2018-19 gratuity payable to employees of Rs. 37,04,651/-, Rs. 22,67,077/- and Rs. 18,66,059/- respectively are provided based upon actuarial valuation report.

Leave encashment to the employees are accounted for as & when the same is claimed by eligible employees.

**MARKOLINES TRAFFIC CONTROLS LIMITED**  
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**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**(g) Taxation:**

Tax expenses 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 enacted or substantively enacted at the reporting date.

Staff Bonus payable as on 31<sup>st</sup> March, 2021 due to be paid before filing Income tax return i.e. 30<sup>th</sup> November, 2021 is pending to be paid as on the signing date of financial, the same will be paid before due date and accordingly has been considered for computation of Income tax for the current financial year.

Deferred Tax Assets or Deferred Tax Liability is recognized on timing difference being the difference between taxable incomes and accounting income. Deferred Tax Assets or Deferred Tax Liability is measured using the tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date. Deferred Tax Assets arising from timing differences are recognized to the extent there is a reasonable certainty that the assets can be realized in future.

**(h) Borrowing Cost:**

Borrowing Cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

**(i) Segment Reporting:**

The Company is engaged in business of providing services of infrastructure operations like road building and road maintenance. Considering the nature of Business and Financial Reporting of the Company, the Company is operating in only one Segment. Hence segment reporting is not applicable.

**(j) Provisions and Contingent Liabilities:**

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. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

The company has neither utilized nor deposited the CSR amount of Rs. 12,85,526/- for the F.Y. 2019-20 within the specified time period i.e. within 30<sup>th</sup> September, 2020 as per Section 135 of the Companies Act, 2013. Further the CSR amount for the F.Y. 2020-21 of Rs. 14,41,730/- not yet been deposited in a separate bank account till the date of signing of the Financial statement however as per management representation the due amount for F.Y.(s) 2019-20 and 2020-21 will be deposited within 30<sup>th</sup> September, 2021 i.e. the due date for the F.Y. 2020-21.

Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

**MARKOLINES TRAFFIC CONTROLS LIMITED**  
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**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**Contingent liability:**

Bank Guarantee

- Financial Bank Guarantee- Rs. 3.10 crore
- Performance Bank Guarantee- Rs. 3.16 crore

Income Tax Demand:

- A.Y. 2010-11      Rs. 3,97,850

TDS demand:

- F.Y. 2012-13      Rs. 4,56,050

**(k) Earnings per share:**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

**(l) Current Assets, Loans & Advances:**

In the opinion of the Board and to the best of its knowledge and belief the value on realization of current assets in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet and repayable on demand. Trade Receivables as on March 31, 2021 has been taken as certified by the management of the company and is subjected to balance confirmations. 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.

**(m) Related Party Transactions:**

Notes to Financial Statements for the year ended March 31, 2021

(A) Relationship :

Key Management Personnel-

Mr. Sanjay Patil  
Mr. Vijay Oswal  
Mr. Karan Atul Bora

Key Management Personnel's Relatives:

Safala Oswal  
Shailaja Gaikwad

Group Companies:

Markolines Infra Private Limited  
Markolines Technologies Private Limited

**MARKOLINES TRAFFIC CONTROLS LIMITED**  
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**NOTES FORMING PART OF FINANCIAL STATEMENTS**

(B) Transactions with related parties :

(Rs. in Lakh)

Particulars	Key Management Personnel	Key Management Personnel's relatives	Group Companies
<b>Mr Sanjay Patil</b>			
i) Opening balance payable	132.50		
ii) Loan taken during the year	694.32		
iii) Loan repaid during the year	730.48		
iv) Balance payable	96.34		
v) Directors remuneration	33.00		
<b>Mr Vijay Oswal</b>			
i) Opening balance payable	23.74		
ii) Loan taken during the year	2.14		
iii) Loan repaid during the year	12.14		
iv) Balance payable	13.74		
v) Directors remuneration	18.00		
<b>Mr Karan Bora</b>			
Directors remuneration	29.00		
<b>Safala Oswal</b>			
i) Opening balance payable		175.98	
ii) Loan taken during the year		157.59	
iii) Loan repaid during the year		219.14	
iv) Balance payable		114.44	
v) Interest payable		24.46	
<b>Shailaja Gaikwad</b>			
i) Opening balance payable		15.45	
ii) Loan taken during the year		4.33	
iii) Loan repaid during the year		19.39	
iv) Balance payable		0.40	
v) Interest payable		0.97	
<b>Markolines Infra Private Limited</b>			
i) Opening Balance			574.79
ii) Advance taken during the year			6,916.40
iii) Advance repaid during the year			6,874.20
iv) Balance payable			616.99
v) Interest payable			48.24

**MARKOLINES TRAFFIC CONTROLS LIMITED**  
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**NOTES FORMING PART OF FINANCIAL STATEMENTS**

<b>Markolines Technologies Private Limited</b>			
i) Opening balance receivable			57.38
ii) Amount received			20.70
iii) Amount paid			66.65
iv) Balance payable			11.44
v) Consultancy fees payable			14.71

Note: During the F.Y. 2018-19 the company granted loan to one party in which director &/or relative of the director of the company are interested which were not in compliance with the provisions of Section 185 of the Companies Act, 2013 in respect of loans to the parties covered under the aforesaid section.

**AS PER OUR REPORT OF EVEN DATE ATTACHED**

**MARKOLINES TRAFFIC CONTROLS LIMITED**

**FOR GUPTA AGARWAL & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
**FRN: 329001E**

**JAY SHANKER GUPTA**  
**PARTNER**  
**MEM NO. 059535**

**SANJAY**  
**BHANUDAS PATIL**  
**DIRECTOR**  
**DIN: 00229052**

**KARAN ATUL**  
**BORA**  
**DIRECTOR**  
**DIN: 08244316**

**Date: 27<sup>th</sup> Aug, 2021**  
**Place: Kolkata**

**Date: 26<sup>th</sup> Aug, 2021**  
**Place: Navi Mumbai**

**Markolines Traffic Controls Limited**

<b>MARKOLINES TRAFFIC CONTROLS LIMITED</b> <b>(Formerly MARKOLINES TRAFFIC CONTROLS PRIVATE LIMITED)</b> <b>CIN: U99999MH2002PLC156371</b>			
<b>ANNEXURE -V</b>			<b>(Rs. In Lacs)</b>
<b>RECONCILIATION OF RESTATED PROFIT AFTER TAX:</b>			
<b>Adjustments for</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>
Net profit/(Loss) after Tax as per Audited Profit & Loss Account	401.65	699.24	343.73
<b><u>Adjustments for:</u></b>			
Changes in Finance cost	-	-	1.88
Changes in Other Expenses	-	-	(1.88)
Changes in Depreciation	18.91	42.03	(127.15)
Changes in Deferred Tax	(5.26)	(10.36)	34.93
Changes in Income tax	12.29	(12.29)	-
Dividend Booked wrongly on Mutual Fund	-	-	-
Deferred Tax Liability / Asset Adjustment	-	-	-
MAT Credit Entitlement Account	-	-	-
Changes in Deferred Tax	-	-	-
<b>Net Profit/ (Loss) After Tax as Restated</b>	<b>427.59</b>	<b>718.62</b>	<b>251.51</b>
<b>Notes:-</b> Explanatory notes to the above restatements made in the audited financial statements of the Company for the respective years/ period.  <b>Adjustments having impact on Profit:</b> <b>To give Explanatory Notes regarding Adjustments:</b> 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 SEBI (ICDR) Regulations, 2018.			
<b>ANNEXURE -VI</b>			<b>(Rs. In Lacs)</b>
<b>RECONCILIATION OF RESTATED EQUITY/ NETWORTH</b>			
<b>Adjustments for</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>
Equity / Net worth As per Audited Financials	2,482.14	2,080.49	1,381.25
<b><u>Adjustments for:</u></b>			
Differences pertaining to changes in Profit/ Loss due to Restated Effect for the period covered in Restated Financial	46.92	72.86	92.23
Accumulated Adjustment due to changes in Income Tax in Reserve & Surplus	-	-	-
<b>Equity/Net Worth as Restated</b>	<b>2,435.22</b>	<b>2,007.63</b>	<b>1,289.01</b>
<b>Notes:-</b> Explanatory notes to the above restatements made in the audited financial statements of the Company for the respective years/ period.  <b>Adjustments having impact on Profit:</b> 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 Reserves & Surplus due to the restated effect on the Profit/ (Loss) of prior period. <b>To give Explanatory Notes regarding Adjustments:</b> 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 SEBI (ICDR) Regulations, 2018.			



**Markolines Traffic Controls Limited**

<b>MARKOLINES TRAFFIC CONTROLS LIMITED</b>			
<b>(Formerly MARKOLINES TRAFFIC CONTROLS PRIVATE LIMITED)</b>			
<b>CIN: U99999MH2002PLC156371</b>			
<b>ANNEXURE -VII</b>			<b>(Rs. In Lacs)</b>
<b>DETAILS OF SHARE CAPITAL, AS RESTATED</b>			
<b>1. Statement of Share Capital</b>			
<b>PARTICULARS</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>
<b>Authorised</b>			
<b>Class "A"</b>			
98000 Equity shares of Rs. 100 each	-	66.00	98.00
<b>Class "B"</b>			
2000 Equity shares of Rs. 100 each	-	-	2.00
<b>Ordinary Equity Shares</b>			
1000000 Equity shares of Rs. 10 each	100.00	-	-
<b>Issued, Subscribed and Fully Paid up Capital</b>			
<b>Class "A"</b>			
86,346 Equity shares of Rs. 100 each	-	86.35	86.35
<b>Class "B"</b>			
1026 Equity shares of Rs. 100 each	-	1.03	1.03
<b>Ordinary Equity Shares</b>			
873720 Equity shares of Rs. 10 each	87.37	-	-
<b>Total</b>	<b>87.37</b>	<b>87.37</b>	<b>87.37</b>
<p><b>Notes:-</b></p> <p>a. The Authorised Share Capital of the company was increased from 10,00,000 Equity Shares of Rs.10/- each to 2,00,00,000 Equity Shares of Rs. 10/- each vide resolution passed in EGM dated 12/08/2021.</p> <p>b. The company issued 13105800 equity shares of Rs. 10/- each as bonus shares in the ratio of 1:15 vide EGM resolution passed on 17/08/2021 and allotted on 26/08/2021.</p> <p>c. The Company Has Sub Divided Its Two Classes Of Equity Shares From Face Value Rs. 100/- Each To Face Value Rs 10/- Each, Vide Resolution Passed In Members Meeting Dated 28Th June, 2020</p> <p><b>Terms/rights attached to equity shares:-</b></p> <p>A. The company has one class of equity shares having a par value of Rs 100 per share.. Each holder of Equity shares was entitled to one Vote per share.</p> <p>The company has reclassified Class A and Class B Shares into Ordinary Equity Shares vide Resolution passed at EGM on 31st July, 2020</p> <p>B. In the Liquidation of the company, the holders of Equity Shares shall be entitled to receive any of the remaining assets of the Company. The amount distributed will be in proportion to the number of equity shares held by the shareholders.</p>			
<b>2. Reconciliation of Shares outstanding at the beginning and at the end of the Period</b>			
<b>PARTICULARS</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>
<b>Class "A"</b>			
<b>Outstanding at the beginning of the period</b>	86,346	86,346	86,346
Splitted during the year	-	-	-
Transfer during the year			
(After Split from Rs. 100/- to Rs. 10/-)	86,346	-	-
Bonus Issued during the year	-	-	-
<b>Outstanding at the end of the Period</b>	-	<b>86,346</b>	<b>86,346</b>
<b>Class "B"</b>			
<b>Outstanding at the beginning of the period</b>	1,026	1,026	1,026
Splitted during the year	-	-	-
Transfer during the year			
(After Split from Rs. 100/- to Rs. 10/-)	1,026	-	-
Bonus Issued during the year	-	-	-
<b>Outstanding at the end of the Period</b>	-	<b>1,026</b>	<b>1,026</b>
<b>Ordinary Equity Shares</b>			
<b>Outstanding at the beginning of the period</b>	-	-	-
Transferred from Class A (After Split from Rs. 100/- to Rs. 10/-)	8,63,460	-	-
Transferred from Class B (After Split from Rs. 100/- to Rs. 10/-)	10,260	-	-
Bonus Issued during the year	-	-	-
<b>Outstanding at the end of the Period</b>	<b>8,73,720</b>	-	-

# Markolines Traffic Controls Limited

MARKOLINES TRAFFIC CONTROLS LIMITED (Formerly MARKOLINES TRAFFIC CONTROLS PRIVATE LIMITED) CIN: U99999MH2002PLC156371			
3. For the period of three years immediately preceding the date as at which the Balance Sheet is prepared:			
PARTICULARS	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash.	-	-	-
Aggregate number and class of shares allotted as fully paid up by way of bonus shares.	-	-	-
Aggregate number and class of shares bought back.	-	-	-
4. Details of Shareholders holding more than 5% shares in the company (In terms of No. of Shares Holding):			
Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Name of Share Holder	No of Shares	No of Shares	No of Shares
<b>Class "A"</b>			
Sanjay Patil	-	33,199	36,211
Kirtinandini Patil	-	7,771	7,771
Sanskruiti Patil	-	-	7,761
Kirti Oswal	-	8,193	8,193
Mr. Karan Bora	-	8,635	8,634
Mr. Kunal Bora	-	8,634	8,634
Mrs. Safala Oswal	-	4,317	-
Ms. Jaya Oswal	-	8,686	-
<b>Class "B"</b>	-	-	-
Sanjay Patil	-	580	616
Kirti Oswal	-	195	195
Atul Bora	-	205	205
<b>Ordinary Equity Shares</b>			
Sanjay Patil	3,37,790	-	-
Kirtinandini Patil	77,710	-	-
Jaya Oswal	86,860	-	-
Kirti Oswal	83,880	-	-
Mr. Karan Bora	88,400	-	-
Mr. Kunal Bora	86,340	-	-
<b>Total</b>	<b>7,60,980</b>	<b>80,415</b>	<b>78,220</b>
5. Details of Shareholders holding more than 5% shares in the company (In terms of % Holding)			
Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Name of Share Holder	% Holding	% Holding	% Holding
<b>Class "A"</b>			
Sanjay Patil	0.00%	38.45%	41.94%
Kirtinandini Patil	0.00%	9.00%	9.00%
Sanskruiti Patil	0.00%	0.00%	8.99%
Kirti Oswal	0.00%	9.49%	9.49%
Mr. Karan Bora	0.00%	10.00%	10.00%
Mr. Kunal Bora	0.00%	10.00%	10.00%
Mrs. Safala Oswal	0.00%	5.00%	0.00%
Ms. Jaya Oswal	0.00%	10.06%	0.00%
<b>Class "B"</b>	0.00%		
Sanjay Patil	0.00%	56.53%	60.04%
Kirti Oswal	0.00%	19.01%	19.01%
Atul Bora	0.00%	19.98%	19.98%
<b>Ordinary Equity Shares</b>			
Sanjay Patil	38.66%	0.00%	0.00%
Kirtinandini Patil	8.89%	0.00%	0.00%
Jaya Oswal	9.94%	0.00%	0.00%
Kirti Oswal	9.60%	0.00%	0.00%
Mr. Karan Bora	10.12%	0.00%	0.00%
Mr. Kunal Bora	9.88%	0.00%	0.00%

**Markolines Traffic Controls Limited**

MARKOLINES TRAFFIC CONTROLS LIMITED (Formerly MARKOLINES TRAFFIC CONTROLS PRIVATE LIMITED)			
CIN: U99999MH2002PLC156371			
ANNEXURE -VIII			(Rs. In Lacs)
STATEMENT OF RESERVES AND SURPLUS, AS RESTATED			
Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
<b>Reserves and Surplus</b>			
<b>A) Surplus in Profit and Loss account</b>			
Opening Balance	1,920.26	1,201.64	950.13
Add: Profit/(Loss) for the year	427.59	718.62	251.51
<b>Total (A)</b>	<b>2,347.85</b>	<b>1,920.26</b>	<b>1,201.64</b>
<b>B) Securities premium account</b>			
Opening Balance	-	-	-
Add - Premium Received	-	-	-
<b>Total (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total (A+B)</b>	<b>2,347.85</b>	<b>1,920.26</b>	<b>1,201.64</b>
<b>Notes:-</b>			
1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.			
2. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexure I, II and III.			
ANNEXURE- IX			(Rs. In Lacs)
STATEMENT OF LONG TERM BORROWINGS, AS RESTATED			
Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
<b>Secured:</b>			
<b>Loans From Financial Institution</b>			
Malojiraje Sah Bank - NSM	9.50	10.63	13.46
Malojiraje Sah Bank -SSP	9.57	10.70	13.53
Malojiraje Sah Bank- SBP	18.16	20.55	26.33
Axis Bank Car Loan Eco Sport SBP	6.73	8.60	12.37
Axis Bank Car Loan Endeavour SBP	24.10	30.72	44.08
Axis Bank Car Loan Innova SBP	5.25	6.76	9.76
BMW India Financial Services P Ltd	10.91	13.42	18.27
ICICI Bank Ltd Car Loan Innova Crysta	3.85	7.66	14.24
Indusind Bank Loan A/c MWV00276E	14.74	52.56	110.76
Indusind Bank Loan A/c MWV00300E	1.52	23.35	56.34
Indusind Bank Loan A/c MWV00349E	7.57	10.27	14.81
Indusind Bank Loan A/c MWV00350E	17.57	23.34	33.14
Indusind Bank Loan A/c MWV00497L	5.27	7.15	10.31
Indusind Bank Loan A/c MWV00498L	5.27	7.15	10.31
Yes Bank Loan A/c M Benz	34.18	38.93	48.90
Indusind Bank (Machinery & custom duty loan)	354.80	449.84	449.84
Oxyzo Financial Services Pvt Ltd Rs. 1.40 Cr	-	-	141.23
Oxyzo Financial Services Pvt Ltd of Rs. 2 Cr	-	-	169.44
Oxyzo Financial Services Pvt Ltd of Rs. 1 Cr	-	-	133.59
OXYZO Loan No. OXYSPF11U8E2	-	103.09	-
OXYZO Loan No. OXYSPF01GNZG	-	281.04	-
OXYZO Loan No. OXYSPF11BD5D	102.05	-	-
OXYZO Loan No. OXYSPF01H2DP	281.60	-	-
SBI GECL Covid 19	65.29	-	-
ICICI Bank Ltd Car Loan Innova Crysta	28.91	-	-
ICICI Bank Ltd Car Loan Innova Crysta	27.46	-	-
Sundaram Finance Ltd A/c N024100186	65.62	88.48	132.45
Sundaram Finance Ltd A/c N024100187	65.50	88.33	132.24
Indusind Bank Loan A/c No-200059710	24.42	-	-
<b>Unsecured:</b>			
<b>Loans From Financial Institution</b>			
Aditya Birla Finance Ltd-ABFLMUMBIL0000064266	-	39.17	-
Aditya Birla Finance Ltd-ABFLMUMBIL00000127075	65.00	-	-
Deutsche Bank Loan A/c No.350029776720019	-	25.41	40.75
Cont...			

**Markolines Traffic Controls Limited**

<b>MARKOLINES TRAFFIC CONTROLS LIMITED</b> <b>(Formerly MARKOLINES TRAFFIC CONTROLS PRIVATE LIMITED)</b> <b>CIN: U99999MH2002PLC156371</b>			
Deutsche Bank Loan A/c No.350029776720028	48.45	-	-
Avanse Financial Services Ltd	13.40	18.93	29.61
HDFC Bank Ltd A/c 58517803	8.50	12.68	20.48
Indusind Bank A/c 706000102530	-	-	26.07
IVL Finance Loan A/c S000315014	11.12	18.13	29.03
Shriram City Union Finance Ltd	-	0.01	23.51
Suryoday Small Finance Bank Ltd	18.01	26.95	42.24
United Petro Finance Loan A/c 1001101002785	-	-	24.54
AXIS Bank Loan A/c No-BPR064705025991	19.22	23.99	-
CLIX Capital Loan a/c no - AC2019082643866	20.16	27.65	-
ECL Finance Ltd-LANDSBL0000076804	24.98	33.16	-
Fedbank Financial Services Ltd-FEDMUM0BL0481030	-	24.60	-
Fedbank Financial Services Ltd-FEDMUM0BL0487542	30.00	-	-
Fullerton India Loan A/c No- 026002410552056	27.98	38.99	-
IDFC First Bank-A/c No-25028460	22.71	39.73	-
India Infoline Finance Ltd-Loan A/c No-SL2495813	23.18	31.66	-
Indusind Bank Loan A/c No-706000144040	30.75	41.04	-
KapitalTech Finance Loan A/c No-1001104000162	24.11	32.41	-
Kotak Mahindra Bank Loan A/c No-CSG-153144723	22.34	37.94	-
NEOGROWTH Credit Loan A/c No-1063158	43.46	44.58	-
Rattan India FinanceLoan A/c No- BLMUM0BL_V000005003552	28.12	39.28	-
RBL Bank loan a/c no-BLMUM006200038390	-	31.18	-
Shriram City Union Finance Loan A/c No-CDBDRTF1909300018	22.13	29.31	-
Edelweiss Retail Finance Ltd LMUMSBL0000086181	16.74	-	-
ICICI Bank - UPMUM00043240081	75.00	-	-
RBL Bank loan a/c no-BLMUM006200071868	50.00	-	-
Moneywise Financial Services	50.21	-	-
<b>Loan From Directors &amp; Related Parties</b>			
Sanjay Patil	96.34	132.50	119.29
Vijay Oswal	13.74	23.74	26.60
Shailaja Gaikwad	0.40	15.45	35.20
Safala Oswal	114.44	175.98	112.40
Markoline Infra Pvt. Ltd.	318.69	318.69	318.69
	<b>2,429.04</b>	<b>2,565.74</b>	<b>2,443.80</b>
Less : Amount disclosed under the head "Other current liabilities" (Refer ANNEXURE- XII)	789.77	620.25	485.44
<b>Total</b>	<b>1,639.28</b>	<b>1,945.48</b>	<b>1,958.37</b>
<b>Notes:-</b>			
For terms and conditions of Long term borrowings, refer Annexure-IX(A) of the Draft Prospectus.			
<b>ANNEXURE- X</b>			
<b>STATEMENT OF LONG TERM PROVISIONS</b>			
Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Provision for Gratuity	74.62	43.13	28.43
<b>Total</b>	<b>74.62</b>	<b>43.13</b>	<b>28.43</b>

**Markolines Traffic Controls Limited**

MARKOLINES TRAFFIC CONTROLS LIMITED			
(Formerly MARKOLINES TRAFFIC CONTROLS PRIVATE LIMITED)			
CIN: U99999MH2002PLC156371			
ANNEXURE-XI			(Rs. In Lacs)
STATEMENT OF DEFERRED TAX ( ASSETS/LIABILITIES)			
Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Depreciation as per Companies Act	226.92	268.52	241.96
Depreciation as per Income Tax Act	179.50	188.78	150.98
Difference in Depreciation	47.43	79.74	90.98
Gratuity Provision & other disallowances	37.05	22.67	11.18
Total Timing Difference	84.47	102.41	102.16
Tax Rate as per Income Tax	0.2782	0.2912	0.2782
DTA / (DTL)	23.50	29.82	28.42
<b>Closing Balance of DTA / (DTL)</b>	<b>23.50</b>	<b>29.82</b>	<b>28.42</b>
DEFERRED TAX ASSETS and LIABILITIES SUMMARY			
Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Opening Balance of DTA/ (DTL)	38.53	8.71	(19.71)
Current year provision of DTA / (DTL)	23.50	29.82	28.42
<b>Closing deferred tax liability DTA / (DTL)</b>	<b>62.03</b>	<b>38.53</b>	<b>8.71</b>
ANNEXURE- XII			
			(Rs. In Lacs)
STATEMENT OF SHORT TERM BORROWINGS, AS RESTATED			
Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
<b>Secured:</b>			
Loans Repayable on Demand (Cash Credit/Loan)			
From Banks (SBI)	825.43	901.71	865.22
<b>Unsecured:</b>			
From Related Parties	298.31	256.11	444.80
<b>Total</b>	<b>1,123.73</b>	<b>1,157.81</b>	<b>1,310.01</b>
<b>Notes:-</b>			
Short Term secured Loan is Secured against Hypothecation of Current assets, charge on office at 501,502 Shree Nand dham, CBD Belapur of the company, personal properties of the Directors and further guaranteed by all the directors. The loan carries interest @ 8.65%)			
ANNEXURE-XIII			
STATEMENT OF TRADE PAYABLES			
Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
<b>Total Outstanding:</b>			
Due to Micro, Small and Medium Enterprises	505.50	638.44	281.94
Due to Other Than Micro, Small and Medium Enterprises	1,733.44	994.99	1,113.09
<b>Total</b>	<b>2,238.94</b>	<b>1,633.43</b>	<b>1,395.03</b>
ANNEXURE- XIV			
			(Rs. In Lacs)
STATEMENT OF OTHER CURRENT LIABILITIES, AS RESTATED			
Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
<b>Other Payables</b>			
Current Maturities of Long term Loan	789.77	620.25	485.44
Security Deposit	667.23	209.23	393.42
Retention Money	70.83	76.59	39.80
Rent Deposit	0.49	0.49	3.00
Statutory Liabilities	-	-	-
Creditors for Expenses	-	-	-
<b>Total</b>	<b>1,528.32</b>	<b>906.57</b>	<b>921.65</b>
(Balances of Advances are subjected to balance confirmation)			

**Markolines Traffic Controls Limited**

MARKOLINES TRAFFIC CONTROLS LIMITED (Formerly MARKOLINES TRAFFIC CONTROLS PRIVATE LIMITED)			
CIN: U99999MH2002PLC156371			
ANNEXURE- XV			(Rs. In Lacs)
STATEMENT OF SHORT TERM PROVISIONS, AS RESTATED			
Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
<b>Short- Term Provisions</b>			
Salary Payable	332.67	208.84	81.71
Bonus Payable	191.48	108.37	8.09
Expenses Payable	93.08	199.51	18.31
Director Remuneration Payable	3.98	-	0.04
Profession Tax Payable	4.81	3.32	1.18
Gratuity Payable	13.99	8.43	0.46
Provision for CSR	27.27	12.86	-
Statutory dues payable	326.44	336.48	162.96
Provision for Income Tax (Net of Advance Tax and TDS)	718.16	457.37	139.90
<b>Total</b>	<b>1,711.89</b>	<b>1,335.17</b>	<b>412.66</b>
ANNEXURE -XVI			
			(Rs. In Lacs)
STATEMENT OF PROPERTY, PLANT AND EQUIPMENT			
Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
<b>Tangible Assets - Gross Block</b>			
<b>Opening</b>			
PLANT & MACHINERY	760.47	754.87	230.83
EMULBITUME MICROSURFACING MACHINERY	8.79	8.79	8.79
MICROSURFACING PAVER	475.46	475.46	475.46
OFFICE EQUIPMENT	50.88	41.75	35.89
FURNITURE & FIXTURE	16.46	16.44	15.44
MOTOR CAR	416.03	378.13	253.24
COMPUTER & LAPTOP	31.05	23.16	18.45
INTANGIBLE ASSETS	4.17	3.83	2.56
BUILDING	41.87	41.87	41.87
<b>Total Gross Block</b>	<b>1,805.19</b>	<b>1,744.30</b>	<b>1,082.53</b>
<b>Add :- Additions</b>			
PLANT & MACHINERY	29.15	24.50	579.52
EMULBITUME MICROSURFACING MACHINERY	-	-	-
MICROSURFACING PAVER	75.03	-	-
OFFICE EQUIPMENT	7.41	9.14	5.85
FURNITURE & FIXTURE	-	0.02	1.00
MOTOR CAR	62.02	37.90	132.98
COMPUTER & LAPTOP	14.30	7.89	4.71
INTANGIBLE ASSETS	-	0.34	1.27
BUILDING	-	-	-
<b>Total Addition</b>	<b>187.90</b>	<b>79.78</b>	<b>725.34</b>



**Markolines Traffic Controls Limited**

MARKOLINES TRAFFIC CONTROLS LIMITED (Formerly MARKOLINES TRAFFIC CONTROLS PRIVATE LIMITED)			
CIN: U99999MH2002PLC156371		(Rs. In Lacs)	
<b>Less:- Deductions</b>			
PLANT & MACHINERY	33.11	18.90	55.48
EMULBITUME MICROSURFACING MACHINERY	-	-	-
MICROSURFACING PAVER			
OFFICE EQUIPMENT			
FURNITURE & FIXTURE			
MOTOR CAR			8.09
COMPUTER & LAPTOP	-	-	-
INTANGIBLE ASSETS	-	-	-
BUILDING	-	-	-
<b>Total Deductions</b>	<b>33.11</b>	<b>18.90</b>	<b>63.57</b>
<b>Closing</b>			
PLANT & MACHINERY	756.51	760.47	754.87
EMULBITUME MICROSURFACING MACHINERY	8.79	8.79	8.79
MICROSURFACING PAVER	550.49	475.46	475.46
OFFICE EQUIPMENT	58.30	50.88	41.75
FURNITURE & FIXTURE	16.46	16.46	16.44
MOTOR CAR	478.05	416.03	378.13
COMPUTER & LAPTOP	45.35	31.05	23.16
INTANGIBLE ASSETS	4.17	4.17	3.83
BUILDING	41.87	41.87	41.87
<b>Total Gross Block</b>	<b>1,959.98</b>	<b>1,805.19</b>	<b>1,744.30</b>
<b>Opening Depreciation</b>			
PLANT & MACHINERY	239.24	122.39	44.26
EMULBITUME MICROSURFACING MACHINERY	4.67	3.60	2.25
MICROSURFACING PAVER	228.91	166.17	87.67
OFFICE EQUIPMENT	37.36	30.36	23.42
FURNITURE & FIXTURE	13.09	11.95	10.53
MOTOR CAR	247.46	175.58	105.35
COMPUTER & LAPTOP	22.45	16.94	13.64
INTANGIBLE ASSETS	2.05	1.29	0.81
BUILDING	13.15	11.59	9.96
<b>Total</b>	<b>808.38</b>	<b>539.87</b>	<b>297.91</b>
<b>Add :- Additions in Depreciation</b>			
PLANT & MACHINERY	28.30	116.86	78.12
EMULBITUME MICROSURFACING MACHINERY	0.89	1.07	1.34
MICROSURFACING PAVER	126.81	62.74	78.49
OFFICE EQUIPMENT	7.32	7.00	6.94
FURNITURE & FIXTURE	0.86	1.14	1.42
MOTOR CAR	52.59	71.88	70.23
COMPUTER & LAPTOP	8.09	5.51	3.30
INTANGIBLE ASSETS	0.58	0.76	0.47
BUILDING	1.49	1.55	1.63
<b>Total Addition</b>	<b>226.92</b>	<b>268.52</b>	<b>241.96</b>
<b>Less:- Deductions in Depreciation</b>			
PLANT & MACHINERY	-	-	-
EMULBITUME MICROSURFACING MACHINERY	-	-	-
MICROSURFACING PAVER	-	-	-
OFFICE EQUIPMENT			
FURNITURE & FIXTURE			
MOTOR CAR			
COMPUTER & LAPTOP			
INTANGIBLE ASSETS	-	-	-
BUILDING	-	-	-
<b>Total Deductions</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Markolines Traffic Controls Limited**

<b>MARKOLINES TRAFFIC CONTROLS LIMITED</b>			
<b>(Formerly MARKOLINES TRAFFIC CONTROLS PRIVATE LIMITED)</b>			
<b>CIN: U99999MH2002PLC156371</b>		<b>(Rs. In Lacs)</b>	
<b>Closing Depreciation</b>			
PLANT & MACHINERY	267.55	239.24	122.39
EMULBITUME MICROSURFACING MACHINERY	5.55	4.67	3.60
MICROSURFACING PAVER	355.72	228.91	166.17
OFFICE EQUIPMENT	44.68	37.36	30.36
FURNITURE & FIXTURE	13.95	13.09	11.95
MOTOR CAR	300.04	247.46	175.58
COMPUTER & LAPTOP	30.54	22.45	16.94
INTANGIBLE ASSETS	2.63	2.05	1.29
BUILDING	14.64	13.15	11.59
<b>Total</b>	<b>1,035.30</b>	<b>808.38</b>	<b>539.87</b>
<b>Net Block</b>			
PLANT & MACHINERY	488.96	521.23	632.49
EMULBITUME MICROSURFACING MACHINERY	3.23	4.12	5.19
MICROSURFACING PAVER	194.77	246.54	309.29
OFFICE EQUIPMENT	13.62	13.52	11.39
FURNITURE & FIXTURE	2.51	3.37	4.49
MOTOR CAR	178.01	168.58	202.55
COMPUTER & LAPTOP	14.80	8.60	6.22
INTANGIBLE ASSETS	1.54	2.12	2.54
BUILDING	27.23	28.73	30.28
<b>Total</b>	<b>924.67</b>	<b>996.80</b>	<b>1,204.43</b>
<b>ANNEXURE-XVII</b>			
<b>STATEMENT OF NON CURRENT INVESTMENTS, AS RESTATED</b>			
<b>Particulars</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>
<b>Quoted Shares</b>			
<b>Unquoted Shares</b>			
Shares of Warna Sahakari Bank	0.75	0.75	0.75
One Share of Mark O Line Infra Pvt. Ltd.(FV Rs10/Share )	0.00	0.00	0.00
One Share of Mark O Line Technologies Pvt. Ltd.(FV Rs100/Share)	0.00	0.00	0.00
Bassein Catholic Co. Opp. Bank	0.01	0.01	-
<b>Investment in Others</b>	-	-	-
<b>Aggregate amount of unquoted investments</b>	<b>0.76</b>	<b>0.76</b>	<b>0.75</b>
Aggregate market value of Investment in Quated Shares	-	-	-
<b>ANNEXURE -XVIII</b>			
<b>STATEMENT OF LONG -TERM LOANS AND ADVANCES, AS RESTATED</b>			
<b>PARTICULARS</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>
<b>Unsecured, Considered Good unless otherwise stated</b>			
Deposit for Quarry Land	8.00	8.00	8.00
Advance for land at Dehrang Tq: Panvel	10.00	10.00	10.00
<b>Total</b>	<b>18.00</b>	<b>18.00</b>	<b>18.00</b>
<b>ANNEXURE -XIX</b>			
<b>STATEMENT OF INVENTORIES</b>			
<b>PARTICULARS</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>
Finished Goods (Valued at lower of Cost or NRV unless otherwise stated)	-	-	-
Raw Material (Valued at Cost unless otherwise stated)	242.62	458.68	146.56
Work In Process (Valued at Cost unless otherwise stated)	1,650.71	1,237.43	595.26
<b>Total</b>	<b>1,893.33</b>	<b>1,696.11</b>	<b>741.82</b>
<b>Notes:-</b>			
1. Value of Inventories as on March 31, 2019, 2020 and March 31, 2021 have been taken as certified by the management of the company. The company valued Raw materials and W-I-P at lower of Cost or NRV as certified by the management of the company			

**Markolines Traffic Controls Limited**

MARKOLINES TRAFFIC CONTROLS LIMITED (Formerly MARKOLINES TRAFFIC CONTROLS PRIVATE LIMITED)			
CIN: U99999MH2002PLC156371		(Rs. In Lacs)	
ANNEXURE -XX			
STATEMENT OF TRADE RECEIVABLES			
PARTICULARS	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Unsecured, Considered good outstanding for a period less than six months			
From Directors/Promoters/ Promoter Group/ Associates/ Relatives of Directors / Group Companies.	-	-	-
Others	2,872.68	2,381.34	2,829.26
Unsecured, Considered good outstanding for a period more than six months			
From Directors/Promoters/ Promoter Group/ Associates/ Relatives of Directors / Group Companies.	-	-	-
Others	1,573.38	1,425.52	987.88
Total	4,446.06	3,806.86	3,817.14
Notes:-			
1. Trade Receivables as on March 31, 2021, 2020 & 2019 has been taken as certified by the management of the company. Balances of Trade Receivables are subjected to balance confirmations			
2. As per the view of the management of the company there is no doubtful debt and hence provision for doubtful debts have not been made			
ANNEXURE -XXI			
STATEMENT OF CASH & CASH EQUIVALENTS			
PARTICULARS	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Cash in Hand (As Certified by Management)	31.32	30.58	37.88
Balances with Banks			
-In Current Accounts			
IndusInd Bank-CBD-250000000494	1.03	1.00	1.23
State Bank of India -37768094889	-	0.27	5.04
State Bank of India -38357840045	0.10	0.10	0.11
Total	32.45	31.96	44.26
ANNEXURE -XXII			
STATEMENT OF SHORT TERM LOANS AND ADVANCES, AS RESTATED			
PARTICULARS	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Loans & Advances			
Other Advances			
-to Related Parties	-	0.00	10.60
-to Others	146.49	223.84	4.67
Total	146.49	223.84	15.27
(Balances are subjected to balance confirmations)			
ANNEXURE -XXIII			
STATEMENT OF OTHER CURRENT ASSETS, AS RESTATED			
PARTICULARS	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
F.D. for Bank Guarantee - Margin Money	261.20	387.26	309.35
F.D. with Indusind Bank	-	93.62	61.06
Security Deposit & Retention Money	1,621.70	718.29	446.83
EMD	28.42	30.95	13.61
Advances for Capital Goods	23.82	23.82	23.82
Other Misc. Deposits & Advances	2.06	1.77	0.91
Mobile Deposit	0.07	0.07	0.07
Rent Deposit	34.25	30.11	23.52
Imprest Money With Staff	131.92	87.09	32.82
Prepaid Expenses	12.58	22.59	9.34
MVAT Refund F.Y.2011-12	4.30	4.30	4.30
SREI Finance - SD	129.97	129.81	126.91
MVAT - F.Y. 2016-17	25.51	25.51	25.51
UP VAT F.Y.2016-17	2.79	2.79	2.79
GST receivable	126.55	79.47	168.44
TDS Receivable-Loan	-	-	6.04
Deposit for Appeal MP -FY 2015-16	0.51	0.51	0.51
Deposit for MVAT Appeal	0.56	-	-
Income Tax Refunds	75.89	75.89	75.89
TDS	746.11	502.53	133.07
Total	3,228.20	2,216.37	1,464.79

**Markolines Traffic Controls Limited**

<b>MARKOLINES TRAFFIC CONTROLS LIMITED</b> (Formerly MARKOLINES TRAFFIC CONTROLS PRIVATE LIMITED)			
CIN: U99999MH2002PLC156371			
<b>ANNEXURE -XXIV</b>			<b>(Rs. In Lacs)</b>
<b>STATEMENT OF REVENUE FROM OPERATIONS, AS RESTATED</b>			
<b>PARTICULARS</b>	<b>For the year ending on 31.03.2021</b>	<b>For the year ending on 31.03.2020</b>	<b>For the year ending on 31.03.2019</b>
<b>Turnover from Sale of Services</b>			
Revenue from Micro-Surfacing, Road Making, Road Maintenance	12,735.26	15,306.70	7,320.17
Less: Intra Company Sales	62.18	181.70	-
<b>Other Operating Income</b>	-	-	-
Revenue from Toll Operations	3,097.54	1,985.51	-
<b>Turnover in respect of Products not Normally dealt (*)</b>	-	-	-
<b>Total</b>	<b>15,770.61</b>	<b>17,110.51</b>	<b>7,320.17</b>
<b>Note:-</b>			
1. Sale of services and Other operating Income are accounted excluding service tax/ GST.			
<b>ANNEXURE XXV</b>			<b>(Rs. In Lacs)</b>
<b>STATEMENT OF OTHER INCOME, AS RESTATED</b>			
<b>PARTICULARS</b>	<b>For the year ending on 31.03.2021</b>	<b>For the year ending on 31.03.2020</b>	<b>For the year ending on 31.03.2019</b>
<b>Related and Non Recurring Income:</b>			
Rental Income	-	3.10	-
Discount Received	0.02	8.62	8.23
Interest on F.D.	19.58	29.13	9.47
Interest Income	-	-	5.67
Interest on I T Refund	-	-	2.25
Commission Income	-	1.33	-
Misc Income	-	0.42	0.30
VAT Refund	-	-	1.53
Balances Written off	6.30	1.39	0.92
<b>Total</b>	<b>25.91</b>	<b>43.98</b>	<b>28.37</b>
PBT	664.88	1,041.24	362.99
Other Income as % of PBT	3.90	4.22	7.81
<b>ANNEXURE XXVI</b>			
<b>STATEMENT OF COST OF MATERIAL CONSUMED</b>			
<b>PARTICULARS</b>	<b>For the year ending on 31.03.2021</b>	<b>For the year ending on 31.03.2020</b>	<b>For the year ending on 31.03.2019</b>
Opening Stock Of Raw Materials	458.68	146.56	251.75
Purchases	5,805.51	7,734.16	2,887.80
Less :- Intra Company Purchases	62.18	181.70	-
Closing Stock Of Raw Materials	242.62	458.68	146.56
<b>Total</b>	<b>5,959.39</b>	<b>7,240.34</b>	<b>2,992.99</b>
<b>ANNEXURE XXVII</b>			
<b>STATEMENT OF CHANGES IN INVENTORIES OF W-I-P</b>			
<b>PARTICULARS</b>	<b>For the year ending on 31.03.2021</b>	<b>For the year ending on 31.03.2020</b>	<b>For the year ending on 31.03.2019</b>
Opening Stock Of W-I-P	1,237.43	595.26	277.28
Closing Stock Of W-I-P	1,650.71	1,237.43	595.26
<b>Changes In Inventories</b>	<b>(413.28)</b>	<b>(642.17)</b>	<b>(317.98)</b>
<b>ANNEXURE XXVIII</b>			
<b>STATEMENT OF EMPLOYEE BENEFIT EXPENSES, AS RESTATED</b>			
<b>PARTICULARS</b>	<b>For the year ending on 31.03.2021</b>	<b>For the year ending on 31.03.2020</b>	<b>For the year ending on 31.03.2019</b>
Directors Remuneration	80.00	51.00	51.00
Salaries	2,799.64	2,095.00	662.92
Provident Fund	39.74	29.96	16.45
E.S.I.	6.99	9.19	9.35
Staff Welfare	74.62	88.70	28.84
Bonus	155.82	107.76	6.43
Gratuity	37.05	22.67	18.66
<b>Total</b>	<b>3,193.86</b>	<b>2,404.28</b>	<b>793.65</b>

**Markolines Traffic Controls Limited**

**MARKOLINES TRAFFIC CONTROLS LIMITED**

**(Formerly MARKOLINES TRAFFIC CONTROLS PRIVATE LIMITED)**

**CIN: U99999MH2002PLC156371**

**ANNEXURE XXIX**

**(Rs. In Lacs)**

**STATEMENT OF FINANCE COSTS, AS RESTATED**

PARTICULARS	For the year ending on 31.03.2021	For the year ending on 31.03.2020	For the year ending on 31.03.2019
Interest on other Loan	81.90	145.08	85.71
Bank & Financial Institution Interest	321.06	313.12	187.25
Bank Charges & Commission	35.14	44.16	43.61
	-	-	-
<b>Total</b>	<b>438.10</b>	<b>502.37</b>	<b>316.57</b>

**ANNEXURE XXX**

**(Rs. In Lacs)**

**STATEMENT OF DEPRECIATION AND AMORTISATION EXPENSES, AS RESTATED**

PARTICULARS	For the year ending on 31.03.2021	For the year ending on 31.03.2020	For the year ending on 31.03.2019
Depreciation	226.92	268.52	241.96
Amortization	-	-	-
<b>Total</b>	<b>226.92</b>	<b>268.52</b>	<b>241.96</b>

**ANNEXURE XXXI**

**(Rs. In Lacs)**

**STATEMENT OF OTHER EXPENSES**

PARTICULARS	For the year ending on 31.03.2021	For the year ending on 31.03.2020	For the year ending on 31.03.2019
Audit Fees	2.00	3.50	2.50
Commission & Brokerage	0.06	15.75	3.50
Legal & Professional Charges	81.99	100.47	84.45
Donation	-	0.10	-
Discount	-	-	17.86
Demurrage Charges	-	21.91	-
Electricity Expenses	10.43	16.86	18.41
Repairs & Maintainance	1,495.56	590.36	184.93
Hiring Charges	1,228.48	1,569.17	494.82
Labour Expenses	1,335.87	1,617.36	777.88
Petrol & Diesel Expenses	424.65	662.42	310.70
Mess Expenses (site)	146.43	124.46	53.79
Transportation Charges	116.75	783.25	381.94
Staff Accomodation Expenses	-	-	-
Stone pitching expenses	-	-	-
Testing Charges	14.71	174.02	97.98
Toll & Parking exp	4.85	12.69	7.77
Insurance	23.11	18.86	13.37
Rates & Taxes	4.98	14.55	16.32
Postage, Printing & Stationery	15.89	12.76	8.50
Lodging & Boarding (Site)	45.73	50.98	6.98
Rent	298.87	287.57	269.93
Site Expenses	219.07	56.28	51.72
Safety items	115.16	46.33	15.61
Tender Fees	0.12	0.83	1.30
Telephone & Internet Expenses	11.00	9.44	6.01
Travelling & Conveyance Expenses	29.92	62.17	58.39
Registration Charges	0.18	0.45	3.95
Vehicle Fuel	-	-	-
TDS	-	-	0.02
Selling & Distribution Expenses	4.17	15.18	18.89
Foreign Travelling Expenses	-	-	5.88
Late Fees on Service Tax /GST/Income Tax/Others	4.72	6.12	2.01
Interest on TDS/TCS/GST/Others	32.88	15.26	7.90
Other Statutory Penalty	-	3.92	7.70
Amount written off	(0.01)	2.64	2.58

Cont...

**Markolines Traffic Controls Limited**

<b>MARKOLINES TRAFFIC CONTROLS LIMITED</b>			
<b>(Formerly MARKOLINES TRAFFIC CONTROLS PRIVATE LIMITED)</b>			
<b>CIN: U99999MH2002PLC156371</b>			
Bad debts	-	-	2.78
Software Expenses	0.82	0.11	-
Other Office Expenses	3.79	2.98	-
Prior Period Expenses	-	-	0.44
Thermal Paper Expenses	19.58	22.68	-
Loss of Sale of Car/P & M	20.44	5.64	21.57
<b>Total</b>	<b>5,712.22</b>	<b>6,327.05</b>	<b>2,958.36</b>
<b>MARKOLINES TRAFFIC CONTROLS LIMITED</b>			
<b>(Formerly MARKOLINES TRAFFIC CONTROLS PRIVATE LIMITED)</b>			
<b>CIN: U99999MH2002PLC156371</b>			
<b>ANNEXURE - XXXII</b>			<b>(Rs. In Lacs)</b>
<b>STATEMENT OF RELATED PARTIES TRANSACTIONS</b>			
<b>Related Party Disclosures as required by Accounting Standard (AS-18) issued by the Institute of Chartered Accountants of India (ICAI), as under :</b>			
<b>A. Particulars of the Related Parties :</b>			
I. Holding Entity : Nil			
II. Subsidiary Entity : Nil			
III. Group Companies:			
Markoline Infra Private Limited			
Markoline Technologies Private Limited			
IV. Key Management - Personnel			
Mr. Sanjay Patil - Director			
Mr. Vijay Oswal - Director			
Mr. Karan Atul Bora - Director			
III. Relatives of Key Management Personnel			
Safala Oswal - Relative of Director			
Shailaja Gaikward - Relative of Director			
IV. Enterprises owned or significantly influenced by Key Management Personnel or their relatives: Nil			
<b>Year Wise RPT transactions bifurcated amongst name of related parties</b>			
<b>PARTICULARS</b>	<b>For the year ending on 31.03.2021</b>	<b>For the year ending on 31.03.2020</b>	<b>For the year ending on 31.03.2019</b>
<b>Mr. Sanjay Patil</b>			
Opening Balance Payable	132.50	119.29	125.88
Loan Taken during the year	694.32	701.22	424.22
Loan repaid during the year	730.48	688.01	430.81
Closing Balance of Expenses	96.34	132.50	119.29
Directors Remuneration	33.00	33.00	33.00
<b>Mr. Vijay Oswal</b>			
Opening Balance Payable	23.74	26.60	70.60
Loan Taken during the year	2.14	65.69	85.00
Loan repaid during the year	12.14	68.55	129.00
Closing Balance of Expenses	13.74	23.74	26.60
Directors Remuneration	18.00	18.00	18.00
<b>Mr. Karan Bora</b>			
Directors Remuneration	29.00	-	-
<b>Safala Oswal</b>			
Opening Balance Payable	175.98	112.40	51.00
Loan Taken during the year	157.59	171.95	105.00
Loan repaid during the year	219.14	108.36	61.29
Balance payable	114.44	175.98	112.40
Interest payable	24.46	28.47	17.69
<b>Shailaja Gaaikwad</b>			
Opening Balance Payable	15.45	35.20	52.60
Loan Taken during the year	4.33	-	-
Loan repaid during the year	19.39	22.87	23.47
Balance payable	0.40	15.45	35.20
Interest payable	0.97	3.12	6.06
<b>Markolines Infra Private Limited</b>			
Opening Balance Payable	574.79	763.48	318.69
Advance Taken during the year	6,916.40	2,465.62	1,411.43
Advance repaid during the year	6,874.20	2,654.30	1,025.88
Balance payable	616.99	574.79	763.48
Interest payable	48.24	88.20	59.25
<b>Markolines Technologies Private Limited</b>			
Opening Balance Receivable	57.38	10.60	20.36
Amount Received	20.70	16.00	73.63
Amount Paid	66.65	98.89	89.05
Balance payable	11.44	57.38	10.60
Consultancy fees Payable	14.71	150.88	5.67



**Markolines Traffic Controls Limited**

<b>MARKOLINES TRAFFIC CONTROLS LIMITED</b>			
<b>(Formerly MARKOLINES TRAFFIC CONTROLS PRIVATE LIMITED)</b>			
<b>CIN: U99999MH2002PLC156371</b>			
<b>ANNEXURE XXXIII</b>			<b>(Rs. In Lacs)</b>
<b>STATEMENT OF TAX SHELTER</b>			
Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Net Profit/(Loss) before taxes (A)	664.88	1,041.24	362.99
Tax Rate Applicable %	0.2782	0.2912	0.2782
Minimum Alternate Taxes (MAT)	0.1924	0.1924	0.1924
<b>Adjustments</b>			
Add: Depreciation as per Companies act	226.92	268.52	241.96
Add: Disallowance under Income Tax Act, 1961	256.26	101.08	48.93
Less: Taxable under other heads of income	-	-	2.25
Less: Depreciation as per Income Tax Act, 1961	179.50	188.78	150.98
<b>Net Adjustments(B)</b>	<b>303.68</b>	<b>180.82</b>	<b>137.65</b>
<b>Business Income (A+B)</b>	<b>968.56</b>	<b>1,222.06</b>	<b>500.64</b>
Interest on Income Tax Refund	-	-	2.25
Gross Total/ Taxable Income	968.56	1,222.06	502.89
Less: Deductions U/S 80JJAA	31.12	11.75	-
Net Total/ Taxable Income	937.44	1,210.31	502.89
Unabsorbed Depreciation	-	-	-
Tax Payable as per Normal Rate	260.80	352.44	139.90
Tax Payable as per Special Rate:		-	-
Interest payable on above	-	-	-
Tax as per Income Tax (C)	260.80	352.44	139.90
Tax Payable as per Minimum Alternate Tax U/S 115 JB of the Income Tax Act,1961 (D)	127.92	200.34	69.84
<b>Net Tax (Higher of C &amp; D)</b>	<b>260.80</b>	<b>352.44</b>	<b>139.90</b>
<b>Current tax as per restated Statement of Profit &amp; Loss</b>	<b>260.80</b>	<b>352.44</b>	<b>139.90</b>
<b>ANNEXURE –XXXIV</b>			
<b>STATEMENT OF CONTINGENT LIABILITIES, AS RESTATED</b>			
PARTICULARS	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
<b>Contingent liabilities in respect of:</b>			
Claims against the company not acknowledged as Debts	Unascertainable	Unascertainable	Unascertainable
Bank Guarantee (Financial)	310	310	NIL
Bank Guarantee (Performance)	316	446	679
Income Tax Demand (A.Y. - 2010-11)	3.98	-	-
TDS Demand (A.Y. 2013-14)	4.56	-	-
Other moneys for which the Company is contingently liable	NIL	NIL	NIL
Commitments (to the extent not provided for)	NIL	NIL	NIL
Estimated amount of contracts remaining to be executed on capital account and not provided for	NIL	NIL	NIL
Uncalled liability on shares and other investments partly paid	NIL	NIL	NIL
Other commitments	NIL	NIL	NIL
<b>Total</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
*There are ongoing CIT Appeal filed for the Assessment Year(s) 2018-19 and 2019-20, however, the value of demand cannot be crystalized at the moment.			

**Markolines Traffic Controls Limited**

MARKOLINES TRAFFIC CONTROLS LIMITED (Formerly MARKOLINES TRAFFIC CONTROLS PRIVATE LIMITED) CIN: U99999MH2002PLC156371			
OTHER FINANCIAL INFORMATION			
	(Rs. In Lacs)		
Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Net Worth (A)	2,435.22	2,007.63	1,289.01
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)	1,329.91	1,812.13	921.52
Restated Profit after tax	427.59	718.62	251.51
Add: Prior Period Item	-	-	-
Adjusted Profit after Tax(B)	427.59	718.62	251.51
Number of Equity Share outstanding as on the End of Year/Period (C)	8.74	0.87	0.87
Weighted average no of Equity shares as on the end of the period year(D) (Before split)	8.74	0.87	0.87
Weighted average no of Equity shares as on the end of the period year(D.1) (After split and Bonus)			
- Pre Bonus (D.1(i))	8.74	8.74	8.74
- Post Bonus (D.1(ii))	139.80	139.80	139.80
Face Value per Share	10.00	100.00	100.00
Restated Basic & Diluted Earnings Per Share (Rs.) (B/D)			
- Before Split (B/D)	48.94	822.48	287.86
- After Split (Pre Bonus) (B/D.1(i))	48.94	82.25	28.79
- After Split (Post Bonus) (B/D.1(ii))	3.06	5.14	1.80
Return on Net worth (%) (B/A)	17.56%	35.79%	19.51%
Net asset value per share (A/C) (Before Split)	278.72	2,297.80	1,475.31
Net asset value per share (A/D.1(i)) (After Split)	278.72	229.78	147.53
Net asset value per share (A/D.1(ii)) (After Split & Bonus)	17.42	14.36	9.22
<b>Notes:-</b>			
1. The ratios have been Computed as per the following formulas			
(i) Basic Earnings per Share			
Restated Profit after Tax available to equity shareholders			
Weighted average number of equity shares outstanding at the end of the year / period			
(ii) Net Asset Value (NAV) per Equity Share			
Restated Net Worth of Equity Share Holders			
Number of equity shares outstanding at the end of the year / period			
(iii) Return on Net worth (%)			
Restated Profit after Tax available to equity shareholders			
Restated Net Worth of Equity Share Holders			
2. EBITDA represents Earnings (or Profit/ (Loss)) before Finance Costs, Income Taxes, and Depreciation and Amortization Expenses. Extraordinary and Exceptional Items have been considered in the calculation of EBITDA as they were expense items.			
3. Net Profit as restated, as appearing in the Statement of Profit and Losses, has been considered for the purpose of computing the above ratios. These ratios are computed on the basis of the Restated Financial Information of the Company.			
4. Earnings per share calculations are done in accordance with Accounting Standard 20 "Earning per Share", issued by the Institute of Chartered Accountants of India.			
5. Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the period adjusted by the number of Equity Shares issued during period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period.			
6. The company issued 13105800 equity shares of Rs. 10/- each as bonus shares in the ratio of 1:15 vide EGM resolution passed on 17/08/2021 and allotted on 26/08/2021, effect of this bonus has been considered to calculate EPS.			
7. The Company Has Sub Divided Its Two Classes Of Equity Shares From Face Value Rs. 100/- Each To Face Value Rs 10/- Each, Vide Resolution Passed In Members Meeting Dated 28Th June, 2020, effect of this spit has been considered to calculate EPS.			

STATEMENT OF CAPITALISATION		
ANNEXURE XXXV		(Rs. In Lacs)
PARTICULARS	Pre-Issue 31.03.2021	Post-Issue 31.03.2021
<b>Debt</b>		
- Current borrowings	1,123.73	1,123.73
- Long Term Debt	2,429.04	2,045.39
<b>Total Debt</b>	<b>3,552.78</b>	<b>3,169.12</b>
<b>Shareholders' Fund (Equity)</b>		
- Share Capital	87.37	1,910.75
- Reserves & Surplus	2,347.85	5,830.89
- Less: Miscellaneous Expenses not W/off	-	-
<b>Total Shareholders' Fund (Equity)</b>	<b>2,435.22</b>	<b>7,741.64</b>
<b>Long Term Debt / Equity (In Ratio)</b>	1.00	0.26
<b>Total Debt / Equity (In Ratio)</b>	1.46	0.41

**Notes:-**

1. Apart from Share Capital and Share Premium under Reserves and Surplus, other figures are considered from the Restated Standalone Financials as on March 31, 2021 (These figures are meant for representation purpose and are not actual figures)
2. Current Borrowings represent which are expected to be paid/ payable within 12 months and excludes installment of term loans repayable within 12 months.
3. Non-current Borrowings represent debts other than Current Borrowings as defined above but includes installment of term loans repayable within 12 months grouped under other current liabilities.
4. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31.03.2021.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*You should read the following discussion of our financial condition and results of operations together with our Financial Statements as Restated which is included in this Prospectus. The following discussion and analysis of our financial condition and results of operations is based on our Financial Statements as Restated, as restated for the years ended March 31, 2021, 2020 and 2019 including the related notes and reports, included in this Prospectus is prepared in accordance with requirements of the Companies Act, 2013 and restated in accordance with the SEBI (ICDR) Regulations, 2018, 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 statutory financial statements. Accordingly, the degree to which our Financial Statements as Restated 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 chapters titled "Risk Factors" and "Forward Looking Statements" beginning on pages 21 and 14, respectively of this 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.*

We are a Highway Operations & Maintenance (O&M) Service providing company. We thrive to make Highway Operations & Maintenance cost effective and easier with the help of Innovation, Technology & out-of-the-box solutions. Our vast experience of 19 years in offering superior services in the Highway Operations & Maintenance (O&M) have earned us name in the (O&M) domain. Our principal business operations are broadly divided into three categories: i) Highway Operations under which we provide services like Toll operations, Route Patrolling and Incident management; ii) Highway Maintenance under which we provide services like Routine Maintenance, Preventive Maintenance and Major Maintenance & Repairs (MMR); iii) Specialized Maintenance Services under which we provide services which enhance the life and quality of road, these are Microsurfacing (MS), Base / Sub base Stabilization (FDR) and Cold In Place Recycling (CIPR).

India is a developing country & numerous new highways & express ways are the need of the hour for efficient and fast movement of material & people. Due to liberalization & reforms taken up in the year 1991, the Indian Economy has opened up & this has led to global players coming in India. As a result of this, a need for better & faster movement of goods & people was desired & this necessitated improvement in the infrastructure facilities available in India. The infrastructure development could not have been complete without development of the Highways & Expressways which are the need of the hour. Such development also requires huge funding & therefore a new concept known as PPP (Public Private Partnership) was introduced by Govt. of India. In this concept, the road development was awarded to private participants on BOT (Build Operate & Transfer) basis who are required to put in the financial funds. The concessioner had to invest and make the road at his own cost and then recover his money by collection of Toll from the commuters for certain period of time. He was also supposed to maintain the facility developed. The private players, Indian as well as global, who were in such business grabbed this opportunity & developed the highways & the express ways across the country. And obviously for recovery of their investment they were required the set up the facility for toll collection of toll from the commuters as well as maintenance of the infrastructure developed. However, since Highway operation and maintenance being a very tedious and required certain special skill sets as organization. The private players/developers whose core activity was development did not want to diversify from their core business. This sought the option of outsourcing the operation & maintenance.

This being a new sector, there were not many players having requisite knowledge & expertise to run such outsource operation.

Our company who was in the business of road marking envisaged this opportunity & ventured in this business activity Operation and maintenance of these infrastructure projects in 2009. As the same time because of its wear & tear nature of the highways, maintenance of the infrastructure developed also become mandatory. The periodic maintenance of these projects itself became one of the major activities for the various contractors.

As the time passing and maintenance of these projects becoming due and our company envisage another opportunity and decided to go in for offering complete array of maintenance services. Over the last few years, we have not only achieved huge credibility based on performance in the market but is also one of the well-known O & M operators in the country and today are one of the trusted service providers in the Highway O&M sector operating pan India basis under the Markolines Umbrella.

To keep up with trend to work with innovative and new technology, Markoline decided to go for the specialized road surfacing treatment called as Micro surfacing. This being a relatively new and cost-effective technology there is a huge potential for this business too. With the Markoline commitment, in a short span of few years of starting the operation. Our company has completed 6.6 Million SQM of Microsurfacing. Keeping up to the track record Markoline ventured into Cold In Place Recycling (CIPR) and Base / Sub base Stabilization (FDR) and has achieved experience which is unique and unmatched in India.

Subsequent to the completion of various BOT projects where the highway infrastructure was ready which needed to be re-strengthened and maintained. Realizing the potential for Monetization, Government of India came up with new model Toll Operate & Transfer (TOT), wherein the about 5/10 projects were put in the Bundle and offered for Re-strengthen and maintenance for a long period of 15/30 years.

Due to the huge requirement of Funds, Long tenure and better returns many FDI's/FI's ventured in this business. For all such institutions, this not being the core business outsourcing of O&M was obvious and that brings in huge potential of 1000s of crores of business for this sector of O&M. Being very few service providers in this sector and Markolines with high credentials and one of the preferred vendors is at an advantageous position to en-cash and clock huge growth in coming years.

Our company was incorporated on November 08, 2002 and since our inception we have gradually increased our execution capabilities in terms of the size and Number of projects that we have executed. We started our business operation with a single product that was thermoplastic road marking and over the years we have transformed into a well-known Highway Operations & Maintenance (O&M) service provider in India. For example, one of the first road projects that we executed was for Larsen & Toubro Limited, in the year 2003 with a Project Cost of ₹ 97.05 Lakh, whereas the project recently awarded to us by Mumbai Metropolitan Region Development Authority, for Execution of Rehabilitation, Overlay and Microsurfacing in the State of Maharashtra in 2021 involves a Project Cost of ₹ 13,262 Lakh. In over a decade and a half, we have transitioned from a single product company to a multi-product company and aspire to be an Indian Multinational Company (MNC) in Highway Operations & Maintenance (O&M). We have, since 2002, executed over 90+ Highway Operations & Maintenance (O&M) projects. As on date of this Prospectus we have projects for Major Maintenance & Repairs of around 285.71 km of National Highways in the state of West Bengal, Maharashtra and Rajasthan. We have projects for Toll Operations, Routine Maintenance, Route Patrolling services, of managing around 943.31 km of National Highways and diversified in the state of Rajasthan, Uttar Pradesh, Maharashtra, Jharkhand, Bihar, Tamil Nadu, West Bengal and Andhra Pradesh. As of July 31, 2021 our Company has an Order Book of ₹ 27,607 Lakh. "Risk Factors no 5. Our Order Book may not be representative of our future results and our actual income may be significantly less than the estimates reflected in our Order Book, which could adversely affect our results of operations." on page 158.

Our Business Model includes:

#### **Highway Operations:**

Highways are the vital roads that connect various regions. A perfectly running highway network is one which is well-managed and operated to deliver a safe and comfortable ride to the commuter. We offer a gamut of services to improve the performance of Highway Operations. Our solutions are designed to relieve vehicular congestion, maximize safety and boost the mobility of personal and commercial vehicles. We aspire to deliver a system that is safe, accessible and easy to navigate. Our excellent regional & cultural understanding and contingency management puts us ahead of the competition.

#### **Highway Maintenance:**

Highways are lifelines of a nation; it is crucial to keep these in good working condition. Markolines provides a suite of maintenance services to address diverse road conditions. Weather, traffic volume and geographical conditions often impact the roads and it is important to take these factors into consideration while arriving at the right treatment. Our team of experts is experienced to handle repairs, replacements and maintenance projects, and is guided by the tenets of health, safety, security and environment (HSSE). We are updated with knowledge on the latest trends and technologies, and implement the same on our site to deliver an improved solution.

#### **Specialized Maintenance Services:**

We have always believed in latest Technology to increase the efficiency and performance of the highways for the better experience of the ultimate user. We provide various services under specialized maintenances such as Microsurfacing, Cold In Place Recycling, Soil Stabilization and Reclaimed Asphalt Pavement (RAP)

## COMPETITION:

In particular, we compete with other Highway (O&M) Service companies, operating in the same geographies as ours. Our competition depends on various factors, such as the type of project, total contract value, potential margins, the complexity, location of the project and risks relating to revenue generation. While service quality, technical ability, performance record, experience, health and safety records and the availability of skilled personnel are key factors in client decisions among competitors, price often is the deciding factor in most tender awards. Some of our competitors may have greater resources than those available to us. We believe that we face competition from other construction companies which operate in the same geographies as us and undertake projects in the road

### **We are a well-known Highway Operations & Maintenance (O&M) service enabling company with diversified Services portfolio.**

We are one of the few Indian Highway (O&M) service enabling company in India offering complete spectrum of Highway O&M Services. We presently derive revenues from each of our Highway Operations, Highway Maintenance and Specialized Maintenance Services roads segments. We provide Highway O & M Services Pan India basis and are currently have projects across 9 states in India.

### **We have a proven track record for winning, developing and operating projects successfully.**

We believe that we have a strong reputation in the Highway O & M domain and that we have a track record for winning projects and operating them, successfully. We believe that our ability to manage to various resources, use of Technology, collaboration with potential partners and industry experts and most importantly our research-based approach to providing solution to customers problem area puts us ahead of competition and achieve the highest customer satisfaction.

### **Efficient business model**

Our growth is largely attributable to our performance base customer approach which involves careful identification of our projects and cost optimisation, which is a result of executing our projects with careful planning and strategy. This model has facilitated us in maximising our efficiency and increasing our profit margins. Additionally, our fleet of modern equipment ensures better control over execution and timely completion of projects. Our Company follows a strategic approach during the pre-bidding stage, which involves undertaking technical surveys and feasibility studies and analysing the technical and design parameters and the cost involved in undertaking the project. We believe that our strategic approach during the pre-bidding stage and providing customised solutions enables us not only to bid at competitive prices but helps us to successfully win projects. Once we win a bid, our focus is to ensure highest quality during the execution stage of the project, as a result of which, we believe, we are able reduce maintenance and repair costs and therefore realize higher margins during the operation and maintenance stage of the project. Through our experience of executing projects of varying sizes, we believe that we have developed internal systems and processes which help us in effective execution and management of our ongoing projects. Our experienced engineering and management teams are responsible for ensuring that we execute the project in a systematic and cost-effective manner by monitoring operational costs, administrative costs and finance costs at every stage of the project cycle and applying checks and controls to avoid any cost and time overruns.

### **Established brand and reputation in Highway O&M domain**

We believe that our Group brand 'Markolines' is a recognizable brand in India when it comes to Highway O&M domain and is a differentiating factor for our customers. Our vast experience and proven track record help us to establish customer confidence. We also believe that our established brand and reputation has enabled and will enable us to obtain future business opportunities. We have gained significant experience and have established track record and reputation for efficient project management, execution and timely completion of projects in Highway O&M sector.

### **Visible growth through our growing Order Book and improved pre-qualification credentials**

Our Order Book as of a particular date consists of estimated revenue from unexecuted or uncompleted portions of our ongoing projects, i.e., the total contract value of such ongoing projects as reduced by the value of work billed until such date. Our growth strategy has been focused on selecting quality projects with potentially higher margins. We believe that by expanding our operations in different geographical regions, we are able to pursue a broader range of project Bid and therefore maximize our business volume and profit margins. Based on our experience and our various unique prequalification credentials give us a leading edge over competition. Our order book has grown significantly over the last three years, from ₹ 19928.80 Lakh as of March 31, 2019, to ₹ 16443.87Lakh as of March 31, 2020 and ₹ 20081.68 Lakh as of March 31, 2021 respectively. As of July 30, 2020, our total order book was ₹ 27607.46 Lakh.



### **Rich Management Experience**

Our Promoters have an experience in Highway O &M services industry of approximately 2 decades. Our Company is managed by a team of experienced and professional personnel, exclusively focused on different aspects of the industry. The team comprises of personnel having vast operational experience in every aspect of business including technical, non-technical and management. With the cumulative experience of more than 200 years of our senior management we are capable of facing every challenge and creating a substantial growth within our Company. Our management's experience and knowledge enable us in addressing and mitigating various risks inherent in any business such as competition, price fluctuations.

### **Strong professional and execution team allows the Company to develop a strong business**

Our Company has a team of able and experienced professionals with ability to actively manage funding operations. This coupled with proven promoter track record allows the Company to rapidly grow its client portfolio and business. We are a professionally managed company having qualified professionals, engineers and workers. We facilitate the integration of our workforce, processes and technology. Our key business processes are actively managed by our senior management. We believe that our motivated team of management and key managerial personnel along with our internal systems and processes complement each other to enable us to deliver high levels of client satisfaction.

### **Diversified Portfolio of Services offered**

We provide a complete spectrum of Highway Operations & Maintenance (O&M) Services. Our services consist of Highway Operations under which we provide services like Toll operations, Route Patrolling and Incident management; ii) Highway Maintenance under which we provide services like Routine Maintenance, Preventive Maintenance and Major Maintenance & Repairs; iii) Specialized Maintenance Services under which we provide services which enhance the life and quality of road. Our services include Microsurfacing, Cold In Place Recycling, Soil Stabilization and Reclaimed Asphalt Pavement (RAP).

### **Progressive Employer**

Markolines is continuously focused on creating an engaging atmosphere for our Employees to learn, contribute and grow. We nurture a sense of equality among our team members and offer them ample opportunities to pursue their passion and grow. There is an active FUN team that creates opportunities for enjoyment even while working. We believe in timely compliance of all statutory payments especially related to employees. Our company ensures a safe environment, dignity and respect for all our employees irrespective of gender, religion, caste.

### **Quality Service**

We believe in providing quality and timely service to our customers. We have a set of standards for ourselves when it comes to timeliness and quality of service we provide to our customers. We believe that our quality service for the last 19 years has earned us a goodwill from our customers, has also helped us to add new customers to our existing customer base. Our company focuses on maintaining the level of consistently in our service, thereby building customer loyalty for our Brand.

### **Significant developments subsequent to the last financial year**

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months.

- The Board of our Company has approved to raise funds through initial public offering in the Board meeting held on March 20, 2021.
- The members of our Company approved proposal of Board of Directors to raise funds through initial public offering in the extra ordinary general meeting held on April 19, 2021.
- Our Company, Markolines Traffic Controls Private Limited was converted into Public Limited Company consequent to change of name to Markolines Traffic Controls Limited and a Fresh Certificate of Incorporation consequent upon conversion from Private Company to Public Company dated August 10, 2021 issued by Registrar of Companies, Mumbai, being Corporate Identification Number U99999MH2002PLC156371.

- The Authorised Share Capital of the company was increased from 10,00,000 Equity Shares of Rs.10/- each to 2,00,00,000 Equity Shares of Rs.10/- each vide resolution passed in EGM dated August 12, 2021.
- The Paid-up Share Capital of the company was increased from 8,73,720 Equity Shares of Rs.10/- each to 1,39,79,520 Equity Shares of Rs.10/- each vide resolution passed in EGM dated August 17, 2021.

### **Factors affecting our results of operations**

Our company's future results of operations could be affected potentially by the following factors:

- Rich Management Experience
- Strong professional and execution team allows the Company to develop a strong business
- Diversified Portfolio of Services offered:
- Long-term relationships
- Progressive Employer
- Quality Service

### **Our Significant Accounting Policies and Notes**

#### **(A) Corporate Information:**

The Company was originally incorporated on November 8, 2002 vide Certificate of Incorporation bearing Registration Number 156371 issued by the Registrar of Companies, Mumbai with the name & style of Mark-O-Line Traffic Controls Private Limited. The company changed its name to Markolines Traffic Controls Private Limited with approval of Central Government and ROC dated March 12, 2018 and again company converted to public limited company and changed its name to Markolines Traffic Controls Limited with approval of Central Government and ROC dated August 10, 2021.

The Company is engaged in the business of providing highway operations & maintenance services. Since inception the Company has shown increasing trend in the revenues by endeavoring to reach consumers at large by providing quality products.

#### **(B) Basis of Preparation:**

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies have been consistently applied except where specifically stated in financial statement and notes to accounts of the non-conformity with the relevant Accounting Standard.

#### **(C) Significant Accounting Policies:**

##### **(a) Use of Estimates:**

The preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the end of the reporting period and the reported amounts of revenue and expenses during the reported period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the Carrying amounts of Assets or Liabilities in future periods.

##### **(b) Property, Plant and equipment:**

Property, Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment loss, if any. The cost of an asset comprises of its purchase price and any directly attributable cost of bringing the assets to working condition for its intended use. Expenditure on additions, improvements and renewals is capitalized and expenditure for maintenance and repairs is charged to profit and loss account.

Depreciation is provided on Written Down value basis based on life assigned to each asset in accordance with Schedule II of the Act or as per life estimated by the Management.

An asset is treated as impaired asset when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to the profit & loss account is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been changed in the estimate of recoverable amount.

**(c) Revenue Recognition:**

Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection. Revenue from sale of goods or services are recognized on delivery of the products or services, when all significant contractual obligations have been satisfied, the property in the goods is transferred for price, significant risk and rewards of ownership are transferred to the customers and no effective ownership is retained.

In the financial statement, revenue from operation does not include Indirect taxes like sales tax and/or Goods & service tax.

**(d) 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 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 Investments.

On disposal of investment, the difference between its carrying amount and net disposal proceeds are charged or credited to the statement of profit and loss.

**(e) Inventories:**

Inventory of W-I-P and Raw materials are valued at lower of cost and net realizable value. Cost is determined on FIFO basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

There is no stock of Finished goods lying with the company.

**(f) Employee Benefits:**

Retirement benefit in the form of provident fund is a defined contribution scheme. The contribution to the provident fund is charged to the statement of profit and loss for the year when an employee renders the related services.

During the financial years 2020-21, 2019-20 and 2018-19 gratuity payable to employees of Rs. 37,04,651/-, Rs. 22,67,077/- and Rs. 18,66,059/- respectively are provided based upon actuarial valuation report.

Leave encashment to the employees are accounted for as & when the same is claimed by eligible employees.

**(g) Taxation:**

Tax expenses 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 enacted or substantively enacted at the reporting date.

The company has not paid the statutory dues of Bonus as per section 43B of Income Tax Act before signing the financial statement, however as per management representation, these unpaid amounts will be well paid off before filing Income Tax return and accordingly allowed as deduction for Income Tax computation to derive Provision for Income Tax Amount of Current F.Y.

Deferred Tax Assets or Deferred Tax Liability is recognized on timing difference being the difference between taxable incomes and accounting income. Deferred Tax Assets or Deferred Tax Liability is measured using the tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date. Deferred Tax Assets arising from timing differences are recognized to the extent there is a reasonable certainty that the assets can be realized in future.

**(h) Borrowing Cost:**

Borrowing Cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

**(i) Segment Reporting:**

The Company is engaged in business of providing services of infrastructure operations like road building and road maintenance. Considering the nature of Business and Financial Reporting of the Company, the Company is operating in only one Segment. Hence segment reporting is not applicable.

**(j) Provisions and Contingent Liabilities:**

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. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

The company has neither utilized nor deposited the CSR amount of Rs. 12,85,526/- for the F.Y. 2019-20 within the specified time period i.e. within 30<sup>th</sup> September, 2020 as per Section 135 of the Companies Act, 2013. Further the CSR amount for the F.Y. 2020-21 of Rs. 14,41,730/- not yet been deposited in a separate bank account till the date of signing of the financial statement however as per management representation the due amount for F.Y.(s) 2019-20 and 2020-21 will be deposited within 30<sup>th</sup> September, 2021 i.e. the due date for the F.Y. 2020-21.

Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

**Contingent liability:**

**Bank Guarantee**

- Financial Bank Guarantee- Rs. 3.10 crore
- Performance Bank Guarantee- Rs. 3.16 crore

**Income Tax Demand:**

- A.Y. 2010-11              Rs. 3.98 Lakh

**TDS demand:**

- F.Y. 2012-13              Rs. 4.57 Lakh

**(k) Earnings per share:**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

**(l) Current Assets, Loans & Advances:**

In the opinion of the Board and to the best of its knowledge and belief the value on realization of current assets in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet and repayable on demand. Trade Receivables as on March 31, 2021 has been taken as certified by the management of the company and is subjected to balance confirmations. 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.

**(m) Related Party Transactions:**

Notes to Financial Statements for the year ended March 31, 2021

**(A) Relationship:**

Key Management Personnel:

Mr. Sanjay Patil  
Mr. Vijay Oswal  
Mr. Karan Atul Bora

Key Management Personnel's Relatives:

Safala Oswal  
Shailaja Gaikwad

Group Companies:

Markolines Infra Private Limited  
Markolines Technologies Private Limited

**(B) Transactions with related parties:***(₹ in Lakh)*

Particulars	Key Management Personnel	Key Management Personnel's relatives	Group Companies
<b>Mr Sanjay Patil</b>			
i) Opening balance payable	132.50		
ii) Loan taken during the year	694.32		
iii) Loan repaid during the year	730.48		
iv) Balance payable	96.34		
v) Directors remuneration	33.00		
<b>Mr Vijay Oswal</b>			
i) Opening balance payable	23.74		
ii) Loan taken during the year	2.14		
iii) Loan repaid during the year	12.14		
iv) Balance payable	13.74		
v) Directors remuneration	18.00		
<b>Mr Karan Bora</b>			
Directors remuneration	29.00		
<b>Safala Oswal</b>			
i) Opening balance payable		175.98	
ii) Loan taken during the year		157.59	
iii) Loan repaid during the year		219.14	
iv) Balance payable		114.44	
v) Interest payable		24.46	
<b>Shailaja Gaikwad</b>			
i) Opening balance payable		15.45	
ii) Loan taken during the year		4.33	
iii) Loan repaid during the year		19.39	
iv) Balance payable		0.40	
v) Interest payable		0.97	
<b>Markolines Infra Private Limited</b>			
i) Opening Balance			574.79
ii) Advance taken during the year			6,916.40
iii) Advance repaid during the year			6,874.20
iv) Balance payable			616.99
v) Interest payable			48.24
<b>Markolines Technologies Private Limited</b>			
i) Opening balance receivable			57.38
ii) Amount received			20.70
iii) Amount paid			66.65
			11.44

iv) Balance payable			14.71
v) Consultancy fees payable			

## Discussion on Results of Operation

The following discussion on results of operations should be read in conjunction with the Audited Financial Results of our Company for the financial years ended March 31, 2021, 2020 and 2019.

## Overview of revenue and expenditure

### Revenue and Expenditure

*Total Revenue:* Our total revenue comprises of revenue from operations and other income.

*Revenue from operations:* Our revenue from operations comprises of sale of products and sale of services.

*Other Income:* Our Other income consists of interest on fixed deposit, Discount Received, Sundry Balances Written Off.

*Expenses:* Our expenses comprise of Cost of Operations, Change in Inventory, Employee Benefit Expenses, Finance Cost, Depreciation and Amortisation Expenses and Other Expenses.

*Cost of Operations:* Our cost of operations comprises adjustment of raw materials and purchases.

*Change in Inventory:* Changes in inventory of W-I-P consist of change in our inventory of W-I-P as at the beginning and end of the year.

*Employee Benefit Expenses:* Our employee benefit expense consists of Directors' Remuneration, Salaries & Bonus, Contribution to Statutory Funds, Gratuity and Staff Welfare Expenses.

*Finance Cost:* Our finance costs comprise of Interest on loan from financial institution and Loan processing fee.

*Depreciation and amortisation expenses:* Tangible assets are depreciated over periods corresponding to their estimated useful lives. Depreciation includes depreciation charged on tangible assets. Intangible assets are amortized over periods corresponding to their estimated useful lives. It includes amortization of intangible assets.

*Other expenses:* Other expenses include Bank Charges, Books & Periodicals, Fees Paid, Outsourced Technical Service Expenses, Professional Fees, Rent, rent on Machinery, Cost of Software Licenses, Interest on Statutory Dues, Travelling Expenses, Insurance, Processing Fees Expense, Other Expenses, Sundry Balances Written off and Audit fees.

*Provision for Tax:* Income taxes are accounted for in accordance with Accounting Standard – 22 on “Accounting for Taxes on Income” (“AS-22”), prescribed under the Companies (Accounting Standards) Rules, 2006. Our Company provides for current tax as well as deferred tax, as applicable.

Provision for current taxes is made at the current tax rates after taking into consideration the benefits available to our Company under the provisions of the I. T. Act.

Deferred tax arises from the timing differences between book profits and taxable profits that originate in one period and are capable of reversal in one or more subsequent periods and is measured using the tax rates and laws applicable as of the date of the financial statements. Our Company provides for deferred tax asset / liability on such timing differences subject to prudent considerations in respect of deferred tax assets.

## Results of Our Standalone Operations

The following table sets forth select financial data from our financial statements as restated of profit and loss for the financial years ended March 31, 2021, 2020 and 2019 the components of which are also expressed as a percentage of total revenue for such periods:



(₹ in Lakh)

Particulars	31-03-2021	% of total income	31-03-2020	% of total income	31-03-2019	% of total income
Revenue from Operations	15,770.61	99.84%	17,110.51	99.74%	7,320.17	99.61%
Other income	25.91	0.16%	43.98	0.26%	28.37	0.39%
<b>Total Revenue (A)</b>	<b>15,796.52</b>	<b>100.00%</b>	<b>17,154.49</b>	<b>100.00%</b>	<b>7,348.54</b>	<b>100.00%</b>
<b>Expenses:</b>						
Cost of Material Consumed	5,959.39	37.73%	7,240.34	42.21%	2,992.99	40.73%
Change in Inventory	(413.28)	(2.62%)	(642.17)	(3.74%)	(317.97)	(4.33%)
Employee benefits expense	3,193.86	20.22%	2,404.28	14.02%	793.65	10.08%
Other expenses	5,712.22	36.16%	6,327.05	36.88%	2,958.36	40.26%
<b>Total Expenses (B)</b>	<b>14,452.19</b>	<b>91.49%</b>	<b>15,329.50</b>	<b>89.36%</b>	<b>6,427.02</b>	<b>155.66%</b>
<b>Earnings Before Interest, Taxes, Depreciation &amp; Amortization (C=A-B)</b>	<b>1,344.33</b>	<b>8.51%</b>	<b>1,824.99</b>	<b>10.64%</b>	<b>921.52</b>	<b>12.54%</b>
Finance costs (D)	438.10	2.77%	502.37	2.93%	316.57	4.31%
Depreciation and amortization expenses (E)	226.92	1.44%	268.52	1.57%	241.96	3.29%
Exceptional items - Provision for CSR Expenses	14.42	0.09%	12.86	0.07%	-	0.00%
<b>Profit before exceptional items, extraordinary items and tax (F=C-D-E)</b>	<b>664.88</b>	<b>4.21%</b>	<b>1,041.24</b>	<b>6.07%</b>	<b>362.99</b>	<b>4.94%</b>
<b>Tax Expenses</b>						
- Current Tax	260.80	1.65%	352.44	2.05%	139.91	1.90%
- Deferred Tax	(23.50)	(0.15%)	(29.82)	(0.17%)	(28.42)	(0.39%)
<b>Tax Expense for The Year (G)</b>	<b>237.30</b>	<b>1.50%</b>	<b>322.62</b>	<b>1.88%</b>	<b>111.49</b>	<b>1.52%</b>
<b>Restated profit after tax from Continuing Operations (H=F-G)</b>	<b>427.59</b>	<b>2.71%</b>	<b>718.62</b>	<b>4.19%</b>	<b>251.51</b>	<b>3.42%</b>

**COMPARISON OF FY 2020-21 WITH FY2019-20****Income**

**Total Revenue:** Our total revenue decreased by ₹1,357.97 Lakh or 7.92% to ₹15,796.52 Lakh for the financial year 2020-21 from ₹17,154.49 Lakh for the financial year 2019-20 due to the factors described below:

**Revenue from operations**

Our revenue from operations is ₹15,770.61 Lakh for the financial year 2020-21 as compared to ₹17,110.51 Lakh for the financial year 2019-20 representing a decline of 7.83% on account of decline in sales due to the outburst of pandemic.

**Other Income**

Our other income is ₹25.91 Lakh for the financial year 2020-21 as compared to ₹43.98 Lakh for the financial year 2019-20 representing a decrease of 40.93% on account of decrease in rental income, discount received, interest on fixed deposit, commission income and miscellaneous income.

**Expenses**

Our total expenses excluding finance cost, depreciation and tax expenses is ₹14,452.19 Lakh for the financial year 2020-21 as compared to ₹15,329.50 Lakh for the financial year 2019-20 representing a decrease of 5.72% due to the factors described below: -

**Cost of Material Consumed**

Our cost of material consumed is ₹5,959.39 Lakh for the financial year 2020-21 as compared to ₹7,240.34 Lakh for the financial year 2019-20 representing a decrease of 17.69% due to decrease in our scale of operations.

### ***Employee benefits expenses***

Our employee benefit expenses is ₹3,193.86 Lakh for the financial year 2020-21 as compared to ₹2,404.28 Lakh for the financial year 2019-20 representing an increase of 32.84% due to decrease in salaries & staff welfare expenses.

### ***Finance costs***

Our finance cost is ₹438.10 Lakh for the financial year 2020-21 as compared to ₹502.37 Lakh for the financial year 2019-20 representing a decrease of 12.79% on account of repayment of loan in monthly equated instalments and reduction in interest rates due to Covid-19.

### ***Depreciation and amortization expense***

The depreciation decreased by 15.49% to ₹226.92 Lakh for the financial year 2020-21 from ₹268.52 Lakh for the financial year 2019-20 due to wear and tear of assets.

### ***Other expenses***

Our other expenses decreased by 9.72% to ₹5,712.22 Lakh for the financial year 2020-21 from ₹6,327.05 Lakh for the financial year 2019-20 which is 36.16% and 36.88% of the total revenue of respective years. The decrease was mainly due to decrease Audit Fees, Commission & Brokerage, Legal & Professional Charges, Electricity Charges, Hiring Charges, Labour Charges, Petrol & Diesel Charges, Transportation, Testing Charges, Toll & Parking Charges, Rate & Taxes, Lodging & Boarding, Travelling & Conveyance, Registration Charges, Selling & Distribution, Thermal Paper Expenses which was partially set off against increase in Repairs & Maintenance, Mess Expenses, Insurance, Postage, printing & Stationery, Rent, Site Expenses, Safety Items, Telephone & Internet, Interest on Statutory Dues and Loss on sale of Fixed Assets.

### ***Profit before tax***

Our profit before tax decreased by 36.15% to ₹664.88 Lakh for the financial year 2020-21 from ₹1,041.24 Lakh for the financial year 2019-20. The decrease was mainly due to the factors described above.

### ***Tax expenses***

Our tax expenses for the financial year 2020-21 amounted to ₹237.30 Lakh as against tax expenses of ₹322.62 Lakh for the financial year 2019-20. The net decrease of ₹85.32 Lakh is on account of decrease in Deferred Tax Liability and Current Tax Liability.

### ***Profit After Tax***

Our profit after tax decreased by 40.50% to ₹427.59 Lakh for the financial year 2020-21 from ₹718.62 Lakh for the financial year 2019-20, reflecting a net decrease of ₹291.03 Lakh due to aforementioned reasons.

## **COMPARISON OF FY 2019-20 WITH FY2018-19**

### ***Income***

**Total Revenue:** Our total revenue increased by ₹9,805.95 Lakh or 133.44% lakh to ₹17,154.49 Lakh for the financial year 2019-20 from ₹7,348.54 Lakh for the financial year 2018-19 due to the factors described below:

### ***Revenue from operations***

Our revenue from operations is ₹17,110.51 Lakh for the financial year 2019-20 as compared to ₹7,320.17 Lakh for the financial year 2018-19 representing a growth of 133.74% on account of increase and expansion of sale of services.

### ***Other Income***

Our other income is ₹43.98 Lakh for the financial year 2019-20 as compared to ₹28.37 Lakh for the financial year 2018-19 representing an increase of 55.02% on account of rental income, discount received, Interest on Fixed Deposit, Commission Income and Sundry Balances Written off.

### ***Expenses***

Our total expenses excluding finance cost, depreciation and tax expenses is ₹15,329.50 Lakh for the financial year 2019-20 as compared to ₹6,427.02 Lakh for the financial year 2018-19 representing an increase of 138.52% due to the factors described below: -

#### ***Cost of Material Consumed***

Our cost material consumed is ₹7,240.34 Lakh for the financial year 2019-20 as compared to ₹2,992.99 Lakh for the financial year 2018-19 representing an increase of 141.91% due to increase in our scale of operations.

#### ***Employee benefits expenses***

Our employee benefit expenses is ₹2,404.28 Lakh for the financial year 2019-20 as compared to ₹793.65 Lakh for the financial year 2018-19 representing an increase of 202.94% due to decrease in salaries & staff welfare expenses.

#### ***Finance costs***

Our finance cost is ₹502.37 Lakh for the financial year 2019-20 as compared to ₹316.57 Lakh for the financial year 2018-19 representing an increase of 58.69% on account of new finances to fund the working capital requirements.

#### ***Depreciation and amortization expense***

The depreciation increased by 10.98% to ₹268.52 Lakh for the financial year 2019-20 from ₹241.96 Lakh for the financial year 2018-19 due to purchase of new assets.

#### ***Other expenses***

Our other expenses increased by 113.87% to ₹6,327.05 Lakh for the financial year 2019-20 from ₹2,958.36 Lakh for the financial year 2018-19 which is 36.88% and 40.26% of the total revenue of respective years. The increase was mainly due to increase Audit Fees, Commission & Brokerage, Legal & Professional Charges, Hiring Charges, Labour Charges, Petrol & Diesel Charges, Transportation, Testing Charges, Toll & Parking Charges, Lodging & Boarding, Travelling & Conveyance, Registration Charges, Thermal Paper Expenses, Repairs & Maintenance, Mess Expenses, Insurance, Postage, printing & Stationery, Rent, Site Expenses, Safety Items, Telephone & Internet, Interest on Statutory Dues and Loss on sale of Fixed Assets which was partially set off against Electricity Charges, Rates & Taxes, Tender Fees, Registration Charges, Selling & Distribution Expenses, Penalty on Statutory Dues and Loss on Sale of Fixed Assets.

#### ***Profit before tax***

Our profit before tax increased by 186.85% to ₹1,041.24 Lakh for the financial year 2019-20 from ₹362.99 Lakh for the financial year 2018-19. The increase was mainly due to the factors described above.

#### ***Tax expenses***

Our tax expenses for the financial year 2019-20 amounted to ₹322.62 Lakh as against tax expenses of ₹111.48 Lakh for the financial year 2018-19. The net increase of ₹211.14 Lakh is on account of increase in Current Tax and Deferred Tax Asset.

#### ***Profit After Tax***

Our profit after tax increased by 185.72% to ₹718.62 Lakh for the financial year 2019-20 from ₹251.51 Lakh for the financial year 2018-19, reflecting a net increase of ₹467.11 Lakh due to aforementioned reasons.

### **Cash Flows**

The table below summaries our cash flows from our Restated Financial Statements for the financial years 2021, 2020 and 2019:

(₹ in Lakh)

Particulars	For the year ended March 31,		
	2021	2020	2019
Net cash (used in)/ generated from operating Activities	903.05	677.87	(669.56)
Net cash (used in)/ generated from investing Activities	(155.65)	(37.42)	(667.37)
Net cash (used in)/ generated from financing Activities	(746.90)	(652.76)	1,335.86
Net increase/ (decrease) in cash and cash Equivalents	0.50	(12.29)	(1.07)
Cash and Cash Equivalents at the beginning of the period	31.96	44.26	45.33
Cash and Cash Equivalents at the end of the Period	32.46	31.96	44.26

## Operating Activities

### Financial year 2020-21

Our net cash generated from operating activities was ₹903.05 Lakh for the period ended March 31, 2021. Our operating profit before working capital changes was ₹1,345.19 Lakh for the financial year 2020-21 which was primarily adjusted against increase in Trade Receivables by ₹639.20 Lakh, increase in Inventories by ₹197.22 decrease in Short-Term Loans & Advances by ₹77.35 Lakh, increase in Other Current Assets by ₹1,011.83 Lakh, increase in trade payable by ₹605.51 Lakh, increase in other current liabilities by ₹621.75 Lakh, increase in Short-Term Provisions by ₹101.50 Lakh.

### Financial year 2019-20

Our net cash generated from operating activities was ₹677.87 Lakh for the period ended March 31, 2020. Our operating profit before working capital changes was ₹1,801.51 Lakh for the financial year 2019-20 which was primarily adjusted against decrease in Trade Receivables by ₹10.28 Lakh, increase in Inventories by ₹954.29 increase in Short-Term Loans & Advances by ₹208.57 Lakh, increase in Other Current Assets by ₹751.58 Lakh, increase in trade payable by ₹238.40 Lakh, decrease in other current liabilities by ₹15.09 Lakh, increase in Short-Term Provisions by ₹592.20 Lakh.

### Financial year 2018-19

Our net cash used in operating activities was ₹669.56 Lakh for the period ended March 31, 2019. Our operating profit before working capital changes was ₹925.70 Lakh for the financial year 2018-19 which was primarily adjusted against increase in Trade Receivables by ₹2199.58 Lakh, increase in Inventories by ₹212.78 decrease in Short-Term Loans & Advances by ₹6.67 Lakh, increase in Other Current Assets by ₹693.23 Lakh, increase in trade payable by ₹865.14 Lakh, increase in other current liabilities by ₹480.78 Lakh, increase in Short-Term Provisions by ₹157.76 Lakh.

## Investing Activities

### Financial year 2020-21

Our net cash used in investing activities was ₹155.65 Lakh for the financial year 2020-21. These was on account of Purchase of fixed assets of ₹175.23 Lakh and interest income of ₹19.58 Lakh.

### Financial year 2019-20

Our net cash used in investing activities was ₹37.42 Lakh for the financial year 2019-20. These were on account of Purchase of fixed assets of ₹66.53 Lakh, purchase of non-current investments by ₹0.01 Lakh and interest income of ₹29.13 Lakh.

### Financial year 2018-19

Our net cash used from investing activities was ₹667.37 Lakh for the financial year 2018-19. These was on account of purchase of fixed assets of ₹683.34 Lakh, increase in long term loans & advances of ₹1.42 Lakh and interest income of ₹17.39 Lakh.

## Financing Activities

### Financial year 2020-21

Net cash flow used in financing activities for the financial year March 31, 2021 was ₹746.90 Lakh which was primarily on account of repayment of long term and short-term borrowings by ₹306.21 and 34.08 Lakh respectively, increase in long term provisions of ₹31.49 Lakh and interest expenses of ₹438.10 Lakh.

### Financial year 2019-20

Net cash flow used in financing activities for the financial year March 31, 2020 was ₹652.76 Lakh which was primarily on account of repayment of long term and short-term borrowings by ₹12.88 and 152.20 Lakh respectively, increase in long term provisions of ₹14.70 Lakh and interest expenses of ₹502.37 Lakh.

### Financial year 2018-19

Net cash flow generated from financing activities for the financial year March 31, 2019 was ₹1,335.86 Lakh which was primarily on account of increase of long term and short-term borrowings by ₹1,269.17 and ₹365.06 Lakh respectively, increase in long term provisions of ₹18.20 Lakh and interest expenses of ₹316.57 Lakh.

## Other Key Ratios

The table below summaries key ratios in our Restated Financial Statements for the financial years ended March 31, 2021, 2020 and 2019:

Particulars	For the year ended March 31,		
	2021	2020	2019
Fixed Asset Turnover Ratio	17.08	17.20	6.09
Current Ratio	1.48	1.58	1.51
Debt Equity Ratio	1.46	1.85	2.91

**Fixed Asset Turnover Ratio:** This is defined as revenue from operations divided by total fixed assets based on Financial Statements as Restated.

**Current Ratio:** This is defined as current assets divided by current liabilities, based on Financial Statements as Restated.

**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 maturities of long-term debt, based on Financial Statements as Restated.

## Financial Indebtedness

As on March 31, 2021, the total outstanding borrowings of our Company is ₹3,552.78 Lakh. For further details, refer to the chapter titled “*Statement of Financial Indebtedness*” beginning on page 175 of this Prospectus.

Particulars	As at March 31, 2021	
	(₹ in Lakh)	
Term Loans from Financial Institution	1,885.44	
Over Draft Facility from Banks & Financial Institution	825.43	
Unsecured Loans from Related Party	841.91	
<b>Total</b>	<b>3,552.78</b>	

## Related Party Transactions

Related party transactions with our promoters, directors and their entities and relatives primarily relate to purchase and sale of products and services. For further information, please refer to the chapter titled “*Financial Statements as Restated*” on page 175 of this 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.

### **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 as Restated*” beginning on page 158 of this 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 as Restated*” beginning on page 158 of this 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.

## **FACTORS THAT MAY AFFECT THE RESULTS OF THE OPERATIONS**

### **Unusual or infrequent events or transactions**

There are no transactions or events, which in our best judgment, would be considered unusual or infrequent that have significantly affected operations of the Company.

### **Significant economic changes that materially affected or are likely to affect income from continuing operations**

There are no significant economic changes that materially affected Company’s operations or are likely to affect income from continuing operations. Any slowdown in the growth of Indian economy or future volatility in global commodity prices, could affect the business including the future financial performance, shareholders’ funds and ability to implement strategy and the price of the Equity Shares.

### **Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations**

Other than as disclosed in the chapter titled “*Risk Factors*” beginning on page 21 of this Prospectus to our knowledge, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.



**Future changes in relationship between costs and revenues in case of events such as future increase in labour or material cost or prices that will cause material change**

According to our knowledge, there are no future relationship between cost and income that would be expected to have a material adverse impact on our operations and revenues. However, increase in the cost of the goods in which the Company deals, will affect the profitability of the Company. Further, the Company may not be able to pass on the increase in prices of the services to the customers in full and this can be offset through cost reduction.

**The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased prices**

The increase in revenue is by and large linked to increase in volume of all the activities carried out by the Company.

**Total turnover of each major industry segment in which the Issuer Company operates**

Our Company is primarily engaged in the business of software development and providing educational services.

Relevant industry data, as available, has been included in the chapter titled “*Industry Overview*” beginning on page 78 of this Prospectus.

**Any significant dependence on a single or few suppliers or customers**

The % of Contribution of our Company’s customer and supplier vis-a-vis the revenue from operations and expenses respectively as on March 31, 2021 is as follows:

Particulars	Customers	Suppliers
Top 5 (%)	87.00	58.00
Top 10 (%)	96.00	74.00

**Competitive Conditions**

We have competition with Indian and international financial service providing companies and our results of operations could be affected by competition in the financial services industry 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 21 of this Prospectus.

**Increase in income**

Increases in our income are due to the factors described above in in this chapter under “*Factors Affecting Our Results of Operations*” and chapter titled “*Risk Factors*” beginning on page 21 of this Prospectus.

**Status of any Publicly Announced New Business Segments**

Except as disclosed elsewhere in the Prospectus, we have not announced and do not expect to announce in the near future any new business segments.

## STATEMENT OF FINANCIAL INDEBTEDNESS

Brief details on the financial indebtedness of the “MARKOLINES TRAFFIC CONTROLS LIMITED” as on March 31, 2021 is as under:

## Unsecured Loan:

Name of Lender	Date of Sanction	Purpose	Sanctioned Amount (₹ in Lakh)	Rate of interest	Repayment Period	Outstanding amount (₹ in Lakh)
Avanse Financial Services Ltd	July 31, 2018	Business Loan	35.00	18.50% p.a.	Repayable in 36 installments of Rs.1,27,413/- each	13.40
HDFC Bank	April 04, 2018	Business Loan	25.00	17.00% p.a.	Repayable in 43 installments of Rs.89,132/- each	8.50
IVL Finance Ltd	June 29, 2018	Business Loan	35.23	19.00% p.a.	Repayable in 43 installments of Rs.1,29,144/-each	11.12
Suryoday Small Finance Bank Ltd	July 13, 2018	Business Loan	50.00	18.00% p.a.	Repayable in 36 installments of Rs.1,94,222/-each	18.01
India Infoline Finance Ltd	October 03, 2019	Business Loan	40.00	18.50% p.a.	Repayable in 29 installments of Rs.2,02,790/-each	23.18
Rattan India Finance Pvt Ltd	October 05, 2019	Business Loan	50.31	17.00% p.a.	Repayable in 31 installments of Rs.2,47,212/-each	28.12
IDFC Bank Limited	October 02, 2019	Business Loan	51.00	16.00% p.a.	Repayable in 29 installments of Rs.2,49,712/-each	22.71
IndusInd Bank Ltd	October 13, 2019	Business Loan	50.00	18.50% p.a.	Repayable in 24 installments of Rs.2,50,830/-each	30.75
Shreeram City Union Finance Ltd	November 05, 2019	Business Loan	35.70	18.75% p.a.	Repayable in 31 installments of Rs.1,79,526/-each	22.13
Neogrowth Credit Pvt Ltd	November 05, 2019	Business Loan	50.00	19.50% p.a.	Repayable in 36 installments of Rs.1,84,723/-each	43.46
Edelweiss Finance Limited	October 05, 2019	Business Loan	40.40	18.50% p.a.	Repayable in 32 installments of Rs.2,02,671/-each	24.98
Kapitaltech Finance Ltd (United Petro)	February 05, 2020	Business Loan	35.00	18.15% p.a.	Repayable in 24 installments of Rs.1,75,000/-each	24.11
Kotak Mahindra Bank	February 01, 2020	Business Loan	40.00	16.00% p.a.	Repayable in 18 installments of Rs.2,65,051/-each	22.34
Edelweiss Retail Finance Limited	February 04, 2021	Business Loan	17.20	17.50% p.a.	Repayable in 31 installments of Rs.71,200/-each	16.74
Aditya Birla Finance Ltd	February 10, 2021	Business Loan	65.00	18.00% p.a.	Repayable in 24 installments of Rs.3,26,080/-each	65.00
ICICI Bank	February 22, 2021	Business Loan	75.00	16.50% p.a.	Repayable in 36 installments of Rs.2,67,334/-each	75.00
RBL Bank Limited	February 23, 2021	Business Loan	50.00	16.00% p.a.	Repayable in 36 installments of Rs.1,75,786/-each	50.00
Deutsche Bank	February 24, 2021	Business Loan	50.00	17.25% p.a.	Repayable in 36 installments of Rs.1,78,886/-each	48.45
Fedbank Financial Services Ltd	March 01, 2021	Business Loan	30.00	17.50% p.a.	Repayable in 24 installments of Rs.1,49,049/-each	30.00

Name of Lender	Date of Sanction	Purpose	Sanctioned Amount (₹ in Lakh)	Rate of interest	Repayment Period	Outstanding amount (₹ in Lakh)
Moneywise Financial Services	March 15, 2021	Business Loan	50.21	18.00% p.a	Repayable in 36 installments of Rs.1,81,536/-each	50.21
Indi Trade Fincorp Ltd	April 06, 2021	Business Loan	25.50	18.00% p.a	Repayable in 15 installments of Rs.1,91,109/-each	NIL
Axis Finance Limited	May 06, 2021	Business Loan	30.00	16.50% p.a	Repayable in 36 installments of Rs.1,06,214/-each	NIL
Growth Source Finance Ltd	June 06, 2021	Business Loan	30.00	19.00% p.a	Repayable in 36 installments of Rs.1,09,969/-each	NIL
Fullerton India Credit Co Ltd	October 05, 2019	Business Loan	50.00	16.50% p.a	Repayable in 24 installments of Rs.2,46,012/-each	27.98
Fullerton India Credit Co Ltd	July 08, 2021	Business Loan	40.00	16.50% p.a	Repayable in 36 installments of Rs.1,41,618/-each	NIL
Magma (Poonawala) Fincorp Ltd	July 16, 2021	Business Loan	30.36	18.00% p.a	Repayable in 24 installments of Rs.1,51,545/-each	NIL
Ambit Finvest Private Limited	July 26, 2021	Business Loan	25.14	19.00% p.a	Repayable in 12 installments of Rs.2,31,681/-each	NIL
CLIX Capital Services Pvt Ltd	September 02, 2019	Business Loan	35.30	18.50% p.a	Repayable in 24 installments of Rs.1,77,071/-each	20.16
CLIX Capital Services Pvt Ltd	July 28, 2021	Business Loan	50.50	18.50% p.a	Repayable in 18 installments of Rs.3,23,441/-each	NIL
Axis Bank	February 15, 2020	Business Loan	24.99	16.50% p.a	Repayable in 24 installments of Rs.1,22,957/-each	19.22
Axis Bank Ltd	July 31, 2021	Business Loan	50.00	16.00% p.a	Repayable in 36 installments of Rs.1,75,785/-each	NIL
<b>From Banks</b>						<b>695.59</b>

**Secured Loan:**

Name of Lender	Type of Loan	Date of Sanction / Review	Purpose	Sanctioned Amount (₹ in Lakh)	Rate of interest	Securities offered	Repayment / Usance Period	Outstanding amount (₹ in Lakh)
Malojiraje Sahakari Bank NSM	Business Loan	September 24, 2011	Business	25.00	15.00 % p.a	The loan from Malojiraje Sahakari Bank are secured against the immovable property of the third party, guaranteed by the director & also corporate guarantee of the company.	Repayable in 120 installments of Rs.39,000/- each	9.50

Malojiraje Sahakari Bank SSP	Business Loan	October 13, 2011	Business	25.00	15.00 % p.a	The loan from Malojiraje Sahakari Bank are secured against the immovable property of the third party, guaranteed by the director & also corporate guarantee of the company.	Repayable in 120 installments of Rs.39,000/- each	9.57
Malojiraje Sahakari Bank SBP	Business Loan	October 13, 2011	Business	50.00	15.00 % p.a	The loan from Malojiraje Sahakari Bank are secured against the immovable property of the third party, guaranteed by the director & also corporate guarantee of the company.	Repayable in 120 installments of Rs.78,000/- each	18.16
Axis Bank Ltd Eco	Vehicle loan	February 01, 2019	Business	12.98	16.00 % p.a.	Primary: Hypothecation of Vehicle	On demand/ Monthly dropdown by Rs.45,623/- for a period of 42 months	6.73
Axis Bank Ltd Innova	Vehicle loan	February 01, 2019	Business	10.25	15.00 % p.a.	Primary: Hypothecation of Vehicle	On demand/ Monthly dropdown by Rs.35,533/- for a period of 42 months	5.25
Axis Bank Ltd Endeavour	Vehicle loan	February 01, 2019	Business	46.13	16.00 % p.a.	Primary: Hypothecation of Vehicle	On demand/ Monthly dropdown by Rs.1,62,166 /- for a period of 42 months	24.10

BMW India Financial Services Pvt Ltd	Vehicle loan	June 16, 2018	Business	22.00	8.99% p.a.	Primary: Hypothecation of Vehicle	On demand/ Monthly dropdown by Rs.52,512/- for a period of 42 months	10.91
Yes Bank Loan	Vehicle loan	June 27, 2018	Business	56.00	8.40% p.a.	Primary: Hypothecation of Vehicle	On demand/ Monthly dropdown by Rs.1,14,623 /- for a period of 67 months	34.18
ICICI Bank Ltd Innova Crysta	Vehicle loan	April 10, 2018	Business	20.36	8.29% p.a.	Primary: Hypothecation of Vehicle	On demand/ Monthly dropdown by Rs.62,557/- for a period of 42 months	3.85
ICICI Bank Ltd Innova Crysta	Vehicle loan	March 24, 2021	Business	28.91	7.90% p.a.	Primary: Hypothecation of Vehicle	On demand/ Monthly dropdown by Rs.58,571/- for a period of 60 months	28.91
ICICI Bank Ltd Innova Crysta	Vehicle loan	March 18, 2021	Business	27.46	7.90% p.a.	Primary: Hypothecation of Vehicle	On demand/ Monthly dropdown by Rs.55,730/- for a period of 60 months	27.46
IndusInd Bank - 497 L	Commercial Vehicle loan	October 26, 2018	Business	11.04	11.02 % p.a.	Primary: Hypothecation of Vehicle	On demand/ Monthly dropdown by Rs.36,756/- for a period of 43 months	5.27
IndusInd Bank - 498 L	Commercial Vehicle loan	October 26, 2018	Business	11.04	11.02 % p.a.	Primary: Hypothecation of Vehicle	On demand/ Monthly dropdown by Rs.36,756/- for a period of 43 months	5.27
IndusInd Bank - 276E	Machinery loan	December 11, 2018	Business	124.81	10.30 % p.a.	Primary: Hypothecation of Machinery	On demand/ Monthly dropdown by Rs.5,98,562 /- for a	14.74

							period of 30 months	
Sundaram Finance Ltd-186	Business loan	February 10, 2019	Business	137.50	15.00 % p.a.	Primary: Hypothecation of Machinery	On demand/ Monthly dropdown by Rs.4,99,000 /- for a period of 39 months	65.62
Sundaram Finance Ltd-187	Business loan	February 17, 2019	Business	137.50	14.97 % p.a.	Primary: Hypothecation of Machinery	On demand/ Monthly dropdown by Rs.4,98,070 /- for a period of 39 months	65.50
IndusInd Bank - 300E	Vehicle loan	October 10, 2018	Business	69.58	6.22% p.a.	Primary: Hypothecation of Machinery	On demand/ Monthly dropdown by Rs.3,40,156 /- for a period of 24 months	1.52
IndusInd Bank - 349 E	Machinery loan	December 28, 2018	Business	15.86	11.02 % p.a.	Primary: Hypothecation of Machinery	On demand/ Monthly dropdown by Rs.52,804/- for a period of 43 months	7.57
IndusInd Bank - 350 E	Machinery loan	January 16, 2019	Business	34.56	11.02 % p.a.	Primary: Hypothecation of Machinery	On demand/ Monthly dropdown by Rs.1,15,067 /- for a period of 43 months	17.57
IndusInd Bank - 277E	Machinery loan	October 20, 2020	Business	377.40	9.45% p.a.	Primary: Hypothecation of Machinery	On demand/ Monthly dropdown by Rs.8,07,891 /- for a period of 59 months	354.80
IndusInd Bank - 646 E	Machinery loan	July 19, 2021	Business	24.54	10.01 % p.a.	Primary: Hypothecation of Machinery	On demand/ Monthly dropdown by Rs.53,988/- for a period of 60 months	NIL



IndusInd Bank Ltd Covid-19	Working Capital Loan	November 23, 2020	Business	24.42	9.25% p.a	Hypothecation of Machinery	Repayable in 48 installments of 12 months moratorium Rs.77,949/- each w.e.f.	24.42
OXYZO Loan No. OXYSPF11BD5D	Working Capital Loan	July 23, 2020	Business	100.00	15.50 % p.a	secured by bank guarantee of Markolines Traffic Controls Private Limited of Rs.70 Lakh & Markolines Infra Private Limited of Rs.30 Lakh	12 months	102.05
OXYZO Loan No. OXYSSPF01H2DP	Working Capital Loan	July 14, 2020	Business	280.00	16.28 % p.a	secured by bank guarantee of Markolines Traffic Controls Private Limited of Rs.240 Lakh	12 months	281.60
SBI GECL Covid 19	Working Capital Loan	June 17, 2020	Business	90.00	7.25% p.a	Secured against Hypothecation of Current assets, charge on office at 501,502 Shree Nand Dham, CBD Belapur of the company, personal properties of the Directors and further guaranteed by all the directors.	18 months	65.29
							<b>TOTAL</b>	<b>1189.85</b>

Short Term Loan from Banks								
SBI	Cash Credit Facility	June 17, 2020	Working Capital	900.00	8.65% p.a	Secured against Hypothecation of Current assets, charge on office at 501,502 Shree Nand Dham, CBD Belapur of the company, personal properties of the Directors and further guaranteed by all the directors.		825.43

Name of Lender	Purpose	Outstanding Amount (₹ in Lakh)
Long Term Borrowings from Related Parties		
Sanjay Patil	Business Loan	96.34
Vijay Oswal	Business Loan	13.74
Shailaja Gaikwad	Business Loan	0.40
Safala Oswal	Business Loan	114.44
Markolines Infra Private Limited	Business Loan	318.69
	TOTAL	543.60

Name of Lender	Purpose	Outstanding Amount (₹ in Lakh)
Short Term Borrowings from Related Parties		
Markolines Infra Private Limited	Business Loan	298.31
	TOTAL	298.31

## **SECTION X: LEGAL AND OTHER INFORMATION**

### **OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS**

Except as stated in this section, there are no:

(i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) disciplinary action including penalty imposed by SEBI or stock exchanges in the last five financial years including outstanding action; (iv) claims relating to direct and indirect taxes; and (v) Material Litigation (as defined below); involving our Company, Directors or Promoters.

Our Board, in its meeting held on August 20, 2021 determined that Outstanding Litigation involving our Company shall be considered material if:

(i) the monetary amount of claim by or against the entity or person in any such pending matter exceeds ₹ 10 Lakh (Rupees Ten Lakh).

and

(ii) the Board or any of its committees shall have power and authority to determine suitable materiality threshold for the subsequent financial year on the aforesaid basis or any basis as may be determined by the Board or any of its committees ("Material Litigation").

Our Board, in its meeting held on August 20, 2021 determined that outstanding dues to the small-scale undertakings and other creditors exceeding ₹10 Lakh (Rupees Ten Lakh) of the Company's trade payables for the last audited financial statements shall be considered as material dues for the Company ("Material Dues").

Details of outstanding dues to creditors (including micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006) as required under the SEBI (ICDR) Regulations have been disclosed on our website at [www.markolines.com](http://www.markolines.com).

Our Company, its Directors, Promoters and Group Companies are not Willful Defaulters and there have been no violations of securities laws in the past or pending against them.

### **CONTINGENT LIABILITIES OF OUR COMPANY**

As on August 28, 2021, our Company has the following Contingent Liabilities:

(₹ in Lakh)		
Sl. No.	Particulars	Amount
1.	Income Tax demands / Notices before CIT Appeals/TDS	28.01
2.	Bank Guarantees/Corporate Guarantees	626.04
	<b>Total</b>	<b>654.05</b>

### **LITIGATIONS INVOLVING OUR COMPANY**

#### **LITIGATIONS AGAINST OUR COMPANY**

##### **CRIMINAL LITIGATIONS**

Nil

##### **ACTIONS BY REGULATORY OR STATUTORY AUTHORITIES**

Nil

##### **OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:**

Nil

## **LITIGATIONS FILED BY OUR COMPANY**

### **CRIMINAL LITIGATIONS**

Nil

### **OTHER MATTERS BASED ON THE MATERIALITY POLICY OF THE COMPANY**

#### **1. Markolines Traffic Controls Private Limited VS Sion-Panvel Tollways Private Limited**

Our company is the operational creditor who has sent a demand notice under Section 8(1) of the Insolvency and Bankruptcy Code, 2016 for an amount of Rs 39,34,445 (Rupees Thirty-Nine Lakh Thirty-Four Thousand Four Hundred Forty-Five Thirty Only). Our Company was appointed as a contractor for carrying out the toll collection operations at Sion Panvel Highway and had raised invoices for the payment towards the work performed by them which were neither fully realized nor in time. A legal notice was issued for recovery of the amount due and interest to which the corporate debtor issued a formal reply notice agreeing to reconcile the accounts and settle the dispute. Thereafter, in January 2018, corporate debtor sent reconciled statements admitting the amount of Rs 24,67,316 (Rupees Twenty-Four Lakh Sixty-Seven Thousand Three Hundred Sixteen Only) as being due and payable. However, the said amount was still not paid. The said matter is pending before Hon'ble National Company Law Tribunal, Mumbai Bench.

#### **2. Markolines Traffic Controls Pvt. Ltd V. Damoh-Jabalpur Toll Roads Limited**

Our Company has filed an application in National Company Law Tribunal by invoking Section 8 and 9 of the Insolvency and Bankruptcy Code, 2016 against the respondent company, Damoh-Jabalpur Toll Roads Limited for non-payment of our dues for the work of road maintenance services. Our company had sent a legal notice on November 21, 2017, demanding an amount of Rs. 1,33,73,325 (Rupees One Crore Thirty-Three Lakh Seventy-Three Thousand Three Hundred Twenty-Five Only) inclusive of interest. The respondents then replied to this notice denying the amount due and any interest which was payable. On January 18, 2018, via email the parties reconciled, and the respondents admitted that only an amount of Rs. 1,06,02,401 (Rupees One Crore Six Lakh Two Thousand Four Hundred One Only) was due from their side however they still did not pay the same. The Hon'ble National Company Law Tribunal, Mumbai Bench held that there is a default committed by the Damoh-Jabalpur Toll Roads Limited in repayment of debt to our Company. The said matter is pending before the Hon'ble Tribunal.

#### **3. Markolines Traffic Controls Private Limited. Vs Western MP Infrastructure & Toll Roads Private Limited**

Our Company has filed a claim on May 10, 2019 under Section 23 of the Arbitration & Conciliation Act, 1996 for payment of Rs. 13,64,71,782 (Rupees Thirteen Crores Sixty-Four Lakh Seventy-One Thousand Seven Hundred Eighty-Two Only) against the respondent i.e. Western MP Infrastructure & Toll Roads Private Limited. A work order dated December 4, 2015 was issued by the Respondent to our Company and a revised work order was also issued on June 21, 2016 bearing no. 501216170012 and thereafter a termination notice was issued against our Company. Later, our Company filed an Application under Section 9 of the Arbitration and Conciliation Act, 1996 before the Hon'ble District Court, Ratlam, Madhya Pradesh against the Respondents and for appointment of an Arbitrator. On March 1, 2019 the High Court appointed a sole Arbitrator. As such the matter is pending before the High Court for the re-appointment of Arbitrator.

## **LITIGATIONS INVOLVING DIRECTORS OTHER THAN PROMOTERS OF OUR COMPANY**

### **LITIGATIONS AGAINST OUR DIRECTORS OTHER THAN PROMOTERS**

#### **CRIMINAL LITIGATIONS**

Nil

#### **ACTION BY REGULATORY OR STATUTORY AUTHORITIES**

Nil

#### **DISCIPLINARY ACTION INCLUDING PENALTY IMPOSED BY SEBI OR STOCK EXCHANGE AGAINST OUR PROMOTERS IN THE LAST FIVE FINANCIAL YEARS**

Nil

**OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY**

Nil

**LITIGATIONS FILED BY OUR DIRECTORS OTHER THAN PROMOTERS OF OUR COMPANY**

**CRIMINAL LITIGATIONS**

Nil

**OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY**

Nil

**LITIGATIONS INVOLVING PROMOTERS OF OUR COMPANY**

**LITIGATIONS AGAINST PROMOTERS OF OUR COMPANY**

**CRIMINAL LITIGATIONS**

Nil

**ACTION BY REGULATORY AND STATUTORY AUTHORITIES:**

Nil

**OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY**

Nil

**LITIGATIONS FILED BY PROMOTERS OF OUR COMPANY**

**CRIMINAL LITIGATIONS**

Nil

**OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY**

Nil

**LITIGATIONS INVOLVING OUR SUBSIDIARY COMPANY**

**LITIGATIONS AGAINST OUR SUBSIDIARY COMPANY**

**CRIMINAL LITIGATIONS**

Nil

**ACTIONS BY REGULATORY OR STATUTORY AUTHORITIES**

Nil

**OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:**

Nil

**LITIGATIONS FILED BY OUR SUBSIDIARY COMPANY****CRIMINAL LITIGATIONS**

Nil

**OTHER MATTERS BASED ON THE MATERIALITY POLICY OF THE COMPANY**

Nil

**LITIGATIONS INVOLVING OUR GROUP COMPANIES****LITIGATIONS AGAINST OUR GROUP COMPANIES****CRIMINAL LITIGATIONS**

Nil

**ACTIONS BY REGULATORY OR STATUTORY AUTHORITIES**

Nil

**OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:**

Nil

**LITIGATIONS FILED BY OUR GROUP COMPANIES****CRIMINAL LITIGATIONS**

Nil

**OTHER MATTERS BASED ON THE MATERIALITY POLICY OF THE COMPANY**

Nil

**TAX PROCEEDINGS INVOLVING OUR COMPANY, DIRECTORS, PROMOTERS AND GROUP COMPANIES***(₹ in Lakh)*

Nature of case	Number of cases	Amount Involved*
<b>Company</b>		
<b>Direct Tax</b>		
E-Proceedings	3	Unascertained
Outstanding Demand	3	27.15
TDS	2	4.84
<b>Indirect Tax</b>	Nil	Nil
<b>Promoters</b>		
<b>Direct Tax</b>		
E-Proceedings	Nil	Nil
Outstanding Demand	Nil	Nil
TDS	NA	NA
Indirect Tax	Nil	Nil
<b>Directors #</b>		
<b>Direct Tax</b>		
E-Proceeding	1	Unascertained
Outstanding Demand	1	0.03



TDS	NA	NA
Indirect Tax	Nil	Nil
<b>Group Companies</b>		
<b>Direct Tax</b>		
<b>E-Proceeding</b>	7	Unascertained
<b>Outstanding Demand</b>	3	170.29
<b>TDS</b>	3	6.09
Indirect Tax	Nil	Nil

\*To the extent quantifiable excluding interest and penalty thereon

# Directors excluding Promoters

#### **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 159 of this Prospectus, there have been no material developments, since the date of the last audited balance sheet.

#### **OUTSTANDING DUES TO MICRO, SMALL & MEDIUM ENTERPRISES OR ANY OTHER CREDITORS**

In accordance with our Company’s materiality policy dated August 20, 2021, below are the details of the Creditors where there is outstanding amounts as on July 31, 2021:

(₹ in Lakh)

Sl. No.	Particular	Amount
1.	Total Outstanding dues to Micro, Small & Medium Enterprises	343.35
2.	Total Outstanding dues to creditors other than Micro, Small & Medium Enterprises	1,404.98
	<b>Total</b>	<b>1,748.33</b>

## GOVERNMENT AND OTHER STATUTORY APPROVALS

*Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the Issue or continue our business activities. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. It must, however, be distinctly understood that in granting the approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.*

*Following statements set out the details of licenses, permissions and approvals obtained by the Company under various central and state legislations for carrying out its business activities.*

The Company has its business located at the following locations:

**Registered Office:** 502, A Wing, Shree Nand Dham, Sector 11, CBD Belapur Navi Mumbai 400614, Maharashtra, India.

**Corporate Office:** 6th Floor (601-605), Wing A, Shree Nand Dham, Plot no. 59, CBD Belapur, Navi Mumbai – 400614, Maharashtra, 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 include the following:

### **I. APPROVALS FOR THE ISSUE**

#### **Corporate Approvals**

The following approvals have been obtained or will be obtained in connection with the Issue:

- a. Our Board of Directors have pursuant to a resolution passed at its meeting held on March 20, 2021 authorized the Issue, subject to the approval of the shareholders of our Company under Section 62(1) (c) of the Companies Act, 2013 and such other authorities as may be necessary.
- b. The Issue of Equity Shares has been authorized by a special resolution adopted pursuant to Section 62(1) (c) of the Companies Act, 2013 by Special Resolution in an Extra Ordinary General Meeting held on April 19, 2021.

#### **ISIN Number**

The Company's International Securities Identification Number ("ISIN") is INE0FW001016.

#### **Lender Consent**

Our Company has received the consent letter from the following:

1. NOC dated August 13, 2021 from Sundaram Finance Limited
2. NOC dated April 30, 2021 from Fedbank Financial Services Limited
3. NOC dated May 07, 2021 from Suryoday Small Finance Bank Limited
4. NOC dated August 20, 2021 from Clix Capital
5. NOC dated August 13, 2021 from Shrimant Malojiraje Sahakari Bank Limited, Phaltan.
6. NOC dated September 07, 2021 from Aditya Birla Finance Limited.
7. NOC dated September 04, 2021 from Ambit Finvest Private Limited.
8. The consent has been sought from Avanse Financial Services Limited. However, it is still awaited.
9. NOC dated September 04, 2021 from AXIS Bank Limited.
10. NOC dated August 25, 2021 from AXIS Finance Limited.
11. The consent has been sought from BMW India Financial Services Private Limited. However, it is still awaited.
12. The consent has been sought from Deutsche Bank. However, it is still awaited.
13. The consent has been sought from Edelweiss Finance Limited. However, it is still awaited.
14. The consent has been sought from Edelweiss Retail Finance Limited. However, it is still awaited.
15. NOC dated August 24, 2021 from Growth Source Finance Limited.
16. The consent has been sought from HDFC Bank. However, it is still awaited.

17. NOC dated August 25, 2021 from ICICI Bank.
18. NOC dated September 02, 2021 from IDFC First Bank Limited.
19. The consent has been sought from IIFL. However, it is still awaited.
20. NOC dated August 24, 2021 from Inditrade Fincorp Limited.
21. NOC dated August 25, 2021 from IndusInd Bank.
22. The consent has been sought from IVL Finance. However, it is still awaited.
23. NOC dated August 30, 2021 from Kotak Mahindra Bank.
24. NOC dated September 04, 2021 from Poonawalla Fincorp Limited.
25. The consent has been sought from Moneywise Financial Services. However, it is still awaited.
26. The consent has been sought from Neogrowth Credit Private Limited. However, it is still awaited.
27. The consent has been sought from Rattan India. However, it is still awaited.
28. The consent has been sought from RBL Bank Limited. However, it is still awaited.
29. NOC dated September 02, 2021 from Yes Bank.
30. NOC dated August 28, 2021 from Shriram City Union Finance Limited.
31. The consent has been sought from State Bank of India. However, it is still awaited.
32. NOC dated September 04, 2021 from Fortune Credit Capital Limited.

## **II. APPROVALS OBTAINED BY OUR COMPANY**

<b>S. No.</b>	<b>NATURE OF LICENSE/APPROVAL</b>	<b>REGISTRATION/ LICENSE NO.</b>	<b>ISSUING AUTHORITY</b>	<b>DATE OF GRANT</b>	<b>VALIDITY</b>
<b>INCORPORATION RELATED APPROVALS</b>					
1.	Certificate of Incorporation in the name of Mark-O-line Traffic Controls Private Limited.	U45309PN2002PTC017414	Assistant ROC- Mumbai	November 8, 2002	One Time Registration
2.	Certificate of change in the name from "Mark-O-line Traffic Controls Private Limited" to "Markoline Traffic Controls Pvt Ltd"	U99999MH2002PTC156371	ROC- Mumbai	March 12, 2018	One Time Registration
3.	Fresh Certificate of Incorporation upon consequent change of name from "Markolines Traffic Controls Pvt Ltd" to "Markoline Traffic Controls Limited"	U99999MH2002PLC156371	ROC- Mumbai	August 10, 2021	One Time Registration
<b>TAX RELATED APPROVALS</b>					
4.	Permanent Account Number ("PAN")	AADCM2827P	Income Tax Department	November 8, 2002	One Time Registration
5.	Tax Deduction Account Number ("TAN")	PNEM06679B	Income Tax Department	April 18, 2018	One Time Registration
6.	*Service Tax	AADCM2827PST001	Office of the Assistant/Deputy Commissioner of Service Tax Division-V, Mumbai	September 07, 2009	One Time Registration

GOODS AND SERVICES TAX REGISTRATION					
7.	*Certificate of registration under Andhra Pradesh GST Act, 2017	37AADCM2827P1Z0	Assistant Commissioner, Government of Andhra Pradesh and Government of India	Issued on - July 25, 2019 Valid from – July 1, 2017	One Time Registration
8.	*Certificate of registration under Centre Goods and Services Tax Act, 2017 for Gujarat.	24AADCM2827P1Z7	Superintendent, Government of Gujarat and Government of India	Issued on- July 22, 2019 Valid from- July 20, 2018	One Time Registration
9.	*Certificate of registration under Centre Goods and Services Tax Act, 2017 for Jharkhand	20AADCM2827P1ZF	Superintendent, Government of Jharkhand and Government of India	Issued on- September 2, 2019 Valid from – September 2, 2019	One Time Registration
10.	*Certificate of registration under Maharashtra Goods and Services Act, 2017	27AADCM2827P1Z1	Deputy Commissioner of State Tax, Government of India	Issued on- April 26, 2019 Valid from- July 1, 2017	One Time Registration
11.	*Certificate of registration under Madhya Pradesh Goods and Services Tax Act, 2017	23AADCM2827P1Z9	Government of India	Issued on- June 12, 2018 Valid from- September 23, 2017	One Time Registration
12.	*Certificate of registration under Rajasthan Goods and Services Tax Act, 2017	08AADCM2827P1Z1	Government of India	Issued on- August 2, 2019 Valid from- September 9, 2017	One Time Registration
13.	*Certificate of registration under Tamil Nadu Goods and Services Tax Act, 2017	33AADCM2827P1Z8	Government of India	Issued on- August 2, 2019 Valid from- August 19, 2017	One Time Registration
14.	*Certificate of registration under Centre Goods and Services Tax Act, 2017 for Telangana	36AADCM2827P1Z2	Government of India	Issued on- June 20, 2019 Valid from- October 31, 2018	One Time Registration

15.	*Certificate of registration under Uttar Pradesh Goods and Services Tax Act, 2017	09AADCM2827P1ZZ	Government of India	Issued on- July 28, 2018  Valid from- July 1, 2017	One Time Registration
16.	*Certificate of registration under Bihar Goods and Services Tax Act, 2017	10AADCM2827P1ZG	Government of India	Issued on- December 12, 2020  Valid from- December 10, 2020	One Time Registration
17.	*Certificate of registration under Odisha Goods and Services Tax Act, 2017	21AADCM2827P1ZD	Government of India	Issued on- November 18, 2020  Valid from- November 18, 2020	One Time Registration

**CERTIFICATE OF REGISTRATION UNDER VALUE ADDED TAX REGULATION**

18.	*Certificate of registration under Value Added Tax Act, 2005	37195591117	VAT Registering Authority, Kakinada Circle	Issued on- June 15, 2015  Valid from- June 1, 2015	One Time Registration
19.	*Certificate of registration under Value Added Tax Act, 2005	09118629706C	Asst Commissioner, Commercial Taxes, Gorakhpur	Issued on – August 31, 2016  Valid from- August 23, 2016	One Time Registration
20.	*Certificate of registration under Value Added Tax Act, 2005	27650005362V	Registrar, Sales Tax Department, Maharashtra	Issued on- April 1, 2006  Valid from- April 1, 2006	One Time Registration
21.	*Certificate of registration under Value Added Tax Act, 2005	23569121722	Registrar, Sales Tax Department, Madhya Pradesh	August 27, 2014	One Time Registration

**CERTIFICATE OF REGISTRATION UNDER CENTRAL SALES TAX**

22.	*Certificate of registration under Central Sales Tax Act, 1956	37195591117C	Registering Authority, Kakinada, Government of Andhra Pradesh	Issued on- June 12, 2015  Valid from- June 1, 2015	Until cancelled
23.	*Certificate of registration under Central Sales Tax Act, 1956	09118629706C	Registering Authority, Gorakhpur	Issued on- August 25, 2016	One Time Registration

24.	*Certificate of registration under Central Sales Tax Act, 1956	27650005362C	Registration Officer, Sales Tax Department, Maharashtra	Issued on- April 1, 2006 Valid from- April 1, 2006	One Time Registration
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**CERTIFICATE OF REGISTRATION UNDER STATE TAX ON PROFESSION, TRADES, CALLINGS AND EMPLOYEMENTS**

25.	*Certificate of registration under Maharashtra State Tax on Profession, Trades, Callings and Employments Act, 1975	27650005362P	Profession Tax Officer (C-001) Raigad Dist., Navi Mumbai	February 24, 2014	One Time Registration
26.	*Certificate of enrolment under Maharashtra State Tax on Profession, Trades, Callings and Employments Act, 1975	99292131388P	Profession Tax Officer (C-001) Raigad Dist., Navi Mumbai	February 24, 2014	One Time Registration
27.	*Certificate of registration under Jharkhand Tax on Profession, Trades, Callings and Employments Act, 2011	20380210124	Deputy Commissioner, Commercial Taxes Department, Government of Jharkhand	February 19, 2021	One Time Registration
28	Maharashtra Shops & Establishment	2110200315587716	Shop Inspector Office	August 28, 2021	August 27, 2026

**BUSINESS RELATED APPROVALS**

28.	Udyog Aadhaar Registration Certificate	MH33D0110043	MSME (Ministry of Micro, Small & Medium Enterprises)	Date of commencement – November 8, 2002	Valid till Cancelled
29.	*Entrepreneurs Memorandum Number	270212101709 Part II	General Manager, District Industries Center, Thane	February 4, 2014	Valid till Cancelled
30.	*Import Export Code (IEC)	3102009034	Director General of Foreign Trade	November 30, 2018	One Time Registration
31.	*Registration Certificate under Maharashtra Shops and Establishment Rule 1967	181200312137338	Office of the Chief Facilitator, Mumbai	July 06, 2018	July 06, 2022

**LABOUR RELATED APPROVALS**

32.	*Provident Fund Registration Certificate	THVSH0117767000	Employees' Provident Fund Organization	July 25, 2018	One Time registration
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<b>REGISTRATION UNDER EMPLOYEE STATE INSURANCE</b>					
33.	*Employees' State Insurance Corporation, Jaipur	15340039470011009	Deputy Director	May 30, 2019	One Time Registration
34.	*Employees' State Insurance Corporation, Bharatpur	15340039470021009	Deputy Director	May 30, 2019	One Time Registration
35.	*Employees' State Insurance Corporation, Thane	34000039470001009	Deputy Director	July 4, 2007	One Time Registration
36.	*Employees' State Insurance Corporation, Noida	67340039470011009	Deputy Director	May 30, 2019	One Time Registration
37.	*Employees' State Insurance Corporation, Ranchi	60340039470011009	Deputy Director	October 26, 2020	One Time Registration
38.	*Employees' State Insurance Corporation, Patna	42340039470011009	Deputy Director	October 21, 2020	One Time Registration
39.	*Employees' State Insurance Corporation, Lucknow	30340039470011009	Deputy Director	October 20, 2020	One Time Registration
40.	*Employees' State Insurance Corporation, Madurai	57340039470021009	Deputy Director	October 24, 2020	One Time Registration
41.	*Employees' State Insurance Corporation, Vijaywada	62340039470011009	Deputy Director	December 24, 2020	One Time Registration
<b>LICENCE UNDER CONTRACT LABOUR (REGULATION AND ABOLITION) CENTRAL RULES, 1971</b>					
42.	*Licence under Contract Labour (Regulation and Abolition) Central Rules, 1971 for Jharkhand	CLRA/RLCRANCHI/2020/L-150	License Officer	November 24, 2020	November 23, 2021
43.	*Licence under Contract Labour (Regulation and Abolition) Central Rules, 1971 for Jaipur	CLRA/RLCJAIPUR/2019/L-187	License Officer, Regional Labour Commissioner (Central), Jaipur	August 21, 2020	November 22, 2021
44.	*Licence under Contract Labour (Regulation and Abolition) Central Rules, 1971 for Lucknow	CLRA/RLCLUCKNOW/2021/L-37	License Officer, Regional Labour Commissioner, Lucknow	August 15, 2021	February 14, 2022
45.	*Licence under Contract Labour (Regulation and Abolition) Central Rules, 1971 for Noida	CLRA/RLCNoida/2020/L-85	License Officer, Regional Labour Commissioner, Noida	July 02, 2020	July 01, 2022

46.	*Licence under Contract Labour (Regulation and Abolition) Central Rules, 1971 for Andhra Pradesh	CLRA/ALCVIJAYAWADA/2021/L-65	License Officer, Regional Labour Commissioner, Vijaywada	March 23, 2021	March 22, 2022
47.	*Licence under Contract Labour (Regulation and Abolition) Central Rules, 1971 for Godavari	CLRA/ALCVIJAYAWADA/2021/L-66	License Officer, Regional Labour Commissioner, Vijaywada	March 23, 2021	March 22, 2022
48.	*Licence under Contract Labour (Regulation and Abolition) Central Rules, 1971 for Godavari	CLRA/ALCVIJAYAWADA/2021/L-67	License Officer, Regional Labour Commissioner, Vijaywada	March 23, 2021	March 22, 2022
49.	*Licence under Contract Labour (Regulation and Abolition) Central Rules, 1971 for Godavari	CLRA/RLCVISAKHAPATN AM/2021/L-128	License Officer, Regional Labour Commissioner, Vishakhapatnam	March 24, 2021	March 23, 2022



\* All above-mentioned approvals are in the previous name of the Company i.e. Markolines Traffic Controls Private Limited. The Company is in the process of name change from Markolines Traffic Controls Private Limited to Markolines Traffic Controls Limited for all the approvals.

### III. CERTIFICATES

Sr. No.	Particulars/Description	Certificate/Registration Number	Date of Registration	Validity/Status
1.	*Certificate of Registration for Quality Management System by ICV Assessment Pvt. Ltd	ISO9001:2015	December 02, 2020	December 01, 2023
2.	*Certificate of Registration for Environmental Management System by ICV Assessment Pvt. Ltd	ISO14001:2015	December 02, 2020	December 01, 2023
3.	*Certificate of Registration for Occupation, Health and Safety Management System by ICV Assessment Pvt. Ltd	ISO45001:2018	December 02, 2020	December 01, 2023

### III. APPROVALS OBTAINED/APPLIED IN RELATION TO INTELLECTUAL PROPERTY RIGHTS:

Details of the trademark applied in the name of our Company are:-

S. No.	Trademark/Word/Patent	Application No.	Class	Registration/ Application Date	Status/ Validity
1.	 <b>Markolines</b>	5117995	35	September 04, 2021	Formalities Check Pass
2.	 <b>Markolines</b>	5117996	37	September 04, 2021	Formalities Check Pass

**IV. THE DETAILS OF DOMAIN NAME REGISTERED ON THE NAME OF THE COMPANY:**

SL No.	Domain Name and ID	IANA ID	Creation Date	Expiry Date
1.	<a href="https://www.markolines.com/">https://www.markolines.com/</a>	146	February 09, 2017	February 09, 2022

**V. MATERIAL LICENSES / APPROVALS FOR WHICH OUR COMPANY HAS APPLIED FOR:**

1. Certificate of Registration under Tamil Nadu Tax on Profession, Trades, Callings and Employments Act, 1992 on January 30, 2021.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

The Issue has been authorized pursuant to the resolution passed by the Board of Directors dated March 20, 2021 and by the shareholders pursuant to the special resolution passed in Extra-Ordinary General Meeting dated April 19, 2021 under Section 62(1)(c) of the Companies Act, 2013.

Our Company has obtained in-principle approval from the SME Platform of BSE Limited for using its name in the Prospectus pursuant to an approval letter dated September 03, 2021 from BSE Limited is the Designated Stock Exchange.

### PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

We confirm that our Company, Promoters, Promoter Group and Directors have not been declared as wilful defaulter(s) by the RBI or any other governmental authority. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

We confirm that our Company, Promoters, Promoter Group or Directors have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.

- Neither our Company, nor Promoters, nor Promoter Group, nor any of our Directors or persons in control of our Company are / were associated as promoters, directors or persons in control of any other Company which is debarred from accessing or operating in the capital markets under any order or directions made by the SEBI or any other regulatory or Governmental Authorities.
- None of our Directors are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our Directors are associated as Promoters or director.
- Neither our Promoters, nor Promoter Group, nor any of our Directors is declared as Fugitive Economic Offender.
- Neither our Company, nor our Promoters, nor Promoter Group nor our Directors, are Wilful Defaulters.

### PROHIBITION BY RBI

Neither our Company, nor Promoters, nor Promoter Group, nor any of our Directors or the person(s) in control of our Company have been identified as a wilful defaulter by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided under chapter titled “*Outstanding Litigations and Material Developments*” beginning on page 182 of the Prospectus.

### COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018

Our Company, the Promoters and the members of the Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 (“SBO Rules”), to the extent applicable, as on the date of the Prospectus.

### DIRECTORS ASSOCIATED WITH THE SECURITIES MARKET

None of our Directors are associated with the Securities Market in any manner and no action has been initiated against these entities by SEBI at any time except as stated under the chapters titled “*Outstanding Litigations and Material Developments*” beginning on page 182 respectively, of this Prospectus.

### ELIGIBILITY FOR THE ISSUE

Our Company is eligible in terms of Regulations 228 and 230(1) of SEBI (ICDR) Regulations, 2018 for this Issue,

Our Company is an “unlisted issuer” in terms of the SEBI (ICDR) Regulations, 2018 and this Issue is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations, 2018.

Our Company is eligible for the Issue in accordance with Regulation 229(2) of the SEBI (ICDR) Regulations, 2018 and other provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018, as we are an Issuer whose post issue paid up capital

shall not be more than ₹ 25 Crores and we may hence, Issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the “SME Platform of BSE Limited”).

**We confirm that:**

In accordance with Regulation 260 of the SEBI (ICDR) Regulations, 2018, this Issue is 100% underwritten and that the Lead Manager to the Issue shall underwrite minimum 15% of the Total Issue Size. For further details pertaining to said underwriting please refer to chapter titled “**General Information**” beginning on page 44 of the Prospectus.

In accordance with Regulation 261 of the SEBI (ICDR) Regulations, 2018, we hereby confirm that we have entered into an agreement with the Lead Manager and a Market Maker to ensure compulsory Market Making for a minimum period of Three years from the date of listing of Equity Shares in this Issue on the SME Platform of BSE Limited. For further details of the arrangement of market making please refer to chapter titled “**General Information**” beginning on page 44 and details of the Market Making Arrangements for this please refer to chapter titled “**The Issue**” beginning on page 40 of the Prospectus.

In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, 2018, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight working 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 working days, be liable to repay such application money, with an interest at the rate as prescribed under SEBI (ICDR) Regulations 2018, the Companies Act, 2013 and applicable laws. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and / or imprisonment in such a case.

As per Regulation 229(3) of the SEBI (ICDR) Regulations, 2018, our Company satisfies track record and / or other eligibility conditions of SME Platform of BSE Limited in accordance with the Restated Financial Statements, prepared in accordance with the Companies Act, 2013 and restated in accordance with the SEBI ICDR Regulations as below:

1. Our Company was incorporated on November 08, 2002, with the Registrar of Companies, Mumbai, Maharashtra under the Companies Act, 1956 in India, hence is in existence for a minimum period of 2 years on the date of filing the prospectus with BSE.
2. Our Company is engaged in the Highway Operations & Maintenance (O&M) Service providing company.
3. The paid-up Capital of the Company is ₹ 1,397.95 Lakh comprising 1,39,79,520 equity shares.
4. The post issue paid up capital (Face Value) of the company will be ₹ 1,910.75 Lakh comprising 1,91,07,520 equity shares. So, the company has fulfilled the criteria of post issue paid up capital shall not be more than ₹ 2,500.00 Lakh.
5. The Net worth, Cash Accruals and Net Tangible Assets of the Company as per the restated standalone financial statements for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 are as set forth below:

(₹ in Lakh)

Particulars	For financial year ended on March 31,		
	2021	2020	2019
Networth <sup>(1)</sup>	2,435.22	2,007.63	1,289.01
Cash Accruals <sup>(2)</sup>	891.80	1,309.76	604.95
Net Tangible Assets <sup>(3)</sup>	923.13	994.68	1,210.89

<sup>(1)</sup> Net Worth has been computed as the aggregate of equity shares capital and reserves (excluding revaluation reserves) and after deducting miscellaneous expenditure not written off, if any.

<sup>(2)</sup> Cash accruals' has been defined as the Earnings before depreciation and tax from operations.

<sup>(3)</sup> Net Tangible Assets are defined as the sum of total fixed assets plus current assets minus current liabilities minus intangible assets

6. The Company confirms that it has track record of more than 3 years
7. Our Company has facilitated trading in demat securities and has entered into an agreement with both the depositories. Our Company has entered into an agreement with Central Depository Services Limited (CDSL) dated December 16, 2020 and National Securities Depository Limited (NSDL) dated December 28, 2020 for dematerialisation of its Equity Shares already issued and proposed to be issued.

8. The Company has not been referred to Board for Industrial and Financial Reconstruction.
9. Our Company has not been referred to the National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code, 2016
10. None of the Directors of our Company have been categorized as a Wilful Defaulter.
11. There is no winding up petition against the Company, which has been admitted by a court of competent jurisdiction or liquidator has not been appointed.
12. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
13. 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 of BSE Limited.
14. The Company has a website [www.markolines.com](http://www.markolines.com)

We further confirm that we shall be complying with all other requirements as laid down for such Issue under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

We further confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on the SME Platform of BSE Limited.

#### **COMPLIANCE WITH PART A OF SCHEDULE VI OF THE SEBI (ICDR) REGULATIONS, 2018**

Our Company is in compliance with the provisions specified in Part A of Schedule VI of the SEBI (ICDR) Regulations, 2018. No exemption from eligibility norms has been sought under Regulation 300 of the SEBI (ICDR) Regulations, 2018, with respect to the Issue.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF PROSPECTUS TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKER GRETEX CORPORATE SERVICES LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS PROSPECTUS, THE LEAD MERCHANT BANKER ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, GRETEX CORPORATE SERVICES LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 07, 2021 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE ISSUER AND THE LEAD MANAGER(S) ACCEPT NO RESPONSIBILITY FOR STATEMENTS MADE OTHERWISE THAN IN THE ISSUE DOCUMENT / LETTER OF OFFER / ISSUE DOCUMENT OR IN THE ADVERTISEMENT OR ANY OTHER MATERIAL ISSUED BY OR AT THE INSTANCE OF THE ISSUER AND THAT ANYONE PLACING RELIANCE ON ANY OTHER SOURCE OF INFORMATION WOULD BE DOING SO AT THEIR OWN RISK.**



**THE FILING OF THIS 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 LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THIS PROSPECTUS.**

**“WE, THE UNDER NOTED LEAD MANAGER TO THE ABOVE-MENTIONED FORTHCOMING ISSUE STATE AND CONFIRM AS FOLLOWS:**

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, CIVIL LITIGATIONS, AND DISPUTES WITH COLLABORATORS, CRIMINAL LITIGATIONS ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE PROSPECTUS PERTAINING TO THE SAID ISSUE.**
- 2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**
  - A. THE PROSPECTUS FILED WITH THE EXCHANGE / BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
  - B. ALL THE MATERIAL LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED / ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
  - C. THE MATERIAL DISCLOSURES MADE IN THE PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL-INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**
- 3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**
- 4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.**
- 5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTER’S CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTER’S CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE PROSPECTUS.**
- 6. WE CERTIFY THAT REGULATION 237 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTER’S CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE PROSPECTUS.**
- 7. WE UNDERTAKE THAT SUB-REGULATION (2) OF REGULATION 236 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 SHALL BE COMPLIED WITH.**

8. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER'S CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER'S CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE.
9. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. - COMPLIED TO THE EXTENT APPLICABLE.
10. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SECTION 40(3) OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION – NOTED FOR COMPLIANCE.
11. WE CERTIFY THAT IN CASE OF RIGHT ISSUE DISCLOSURE HAS BEEN MADE IN THE PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT MODE- NOT APPLICABLE
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE PROSPECTUS:
  - A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND
  - B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 WHILE MAKING THE ISSUE-NOTED FOR COMPLIANCE.
14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS' EXPERIENCE, ETC.
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY- NOTED FOR COMPLIANCE.
16. WE ENCLOSE STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER (WHO ARE RESPONSIBLE FOR PRICING THE ISSUE) AS PER FORMAT SPECIFIED BY THE SEBI THROUGH CIRCULAR NO. CIR/CFD/DIL/7/2015 DATED OCTOBER 30, 2015-DETAILS ARE ENCLOSED IN "ANNEXURE A".
17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS- *TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD-18 IN THE FINANCIAL INFORMATION OF THE COMPANY INCLUDED IN THE PROSPECTUS.*

**ADDITIONAL CONFIRMATIONS / CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH ISSUE DOCUMENT REGARDING SME EXCHANGE:**

- 1. WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.**
- 2. THE ABRIDGED PROSPECTUS / ABRIDGED LETTER OF OFFER CONTAINS ALL DISCLOSURES AS SPECIFIED IN THESE REGULATIONS**
- 3. WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES / ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.**
- 4. WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.- NOTED FOR COMPLIANCE.**
- 5. WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER- NOTED FOR COMPLIANCE.**
- 6. WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 261 AND 262 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 HAVE BEEN MADE.**
- 7. WE CONFIRM THAT THE ISSUER HAS REDRESSED AT LEAST NINETY-FIVE PERCENT OF THE COMPLIANCE RECEIVED FROM THE INVESTORS TILL THE END OF THE QUARTER IMMEDIATELY PRECEEDING THE MONTH OF THE FILLING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES OR LETTER OF OFFER WITH THE SME EXCHANGE.**

**Note:**

The filing of this Prospectus does not, however, absolve our Company from any liabilities under sections 34, 35 and 36(1) of the Companies Act, 2013 or from the requirement of obtaining such statutory and other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the Lead Manager any irregularities or lapses in the Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Mumbai in terms of Section 26 and Section 32 of the Companies Act, 2013.

**DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSE LIMITED**

BSE Limited ("BSE") has vide its letter dated September 03, 2021 given permission to "Markolines Traffic Controls Limited" to use its name in the Offer Document as the Stock Exchange on whose Small and Medium Enterprises Platform ("SME platform") the Company's securities are proposed to be listed. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Company. BSE does not in any manner:

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this Company's securities will be listed on completion of Initial Public Offering or will continue to be listed on BSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its promoters, 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 laws and Courts exclusively situated in Mumbai.

#### **DISCLAIMER STATEMENT FROM OUR COMPANY AND THE LEAD MANAGER**

Our Company and the Lead Manager accept no responsibility for statements made otherwise than those contained in the Prospectus or, in case of the Company, in any 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.markolines.com](http://www.markolines.com) would be doing so at his or her own risk.

The Lead Manager to the Issue accepts no responsibility, save to the limited extent as provided in the Issue Agreement entered between the Lead Manager to the Issue and our Company on August 25, 2021 and Addendum to the Issue Agreement dated September 06, 2021; The Underwriting Agreement dated August 25, 2021 entered into between the Underwriters and our Company and Addendum to the Underwriting Agreement dated September 06, 2021; and the Market Making Agreement dated August 25, 2021 entered into among the Market Maker and our Company and Addendum to the Market Making Agreement dated September 06, 2021.

All information shall be made available by our Company and the Lead Manager to the Issue to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centers or elsewhere.

The Lead Manager to the Issue and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter, our Promoter Group, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter, our Promoter Group, and our affiliates or associates, for which they have received and may in future receive compensation.

#### **CAUTION**

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not Offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Issue.

#### **PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER**

For details regarding the price information and track record of the past issue handled by M/s. Gretex Corporate Services Limited, as specified in Circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015 issued by SEBI, please refer Annexure A to this Prospectus and the website of the Lead Manager at [www.gretexcorporate.com](http://www.gretexcorporate.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 majors, HUFs, companies, corporate bodies and societies registered under 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, AIFs state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹ 2,500.00 Lakh and pension funds with a minimum corpus of ₹ 2,500.00 Lakh, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. The Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Prospectus comes is required to inform him or herself about, and to observe, any such restrictions.

Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Mumbai, Maharashtra, only.

No action has been, or will be, taken to permit a public Issuing in any jurisdiction where action would be required for that purpose, except that the Prospectus has been filed at SME Platform of BSE Limited for its observations and BSE will give its observations in due course. Accordingly, the Equity Shares represented hereby may not be Issued or sold, directly or indirectly, and the Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

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

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws, legislations and Prospectus in each jurisdiction, including India.

## **DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT**

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be Issued or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be Issued and sold outside the United States in compliance with Regulation S of the 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 Bids 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 and legislations in each jurisdiction, including India.

## **FILING**

The Draft Prospectus / Prospectus is being filed with BSE Limited.



The Prospectus has not been filed with SEBI, nor has SEBI issued any observation on the Issue Document in terms of Regulation 246(5) the SEBI (ICDR) Regulations, 2018. However, a copy of the Draft Prospectus and Prospectus will be filed with SEBI at Plot No.C4-A, 'G' Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400051, Maharashtra.

A copy of the Prospectus along with the documents required to be filed under Section 26 and Section 32 of the Companies Act, 2013 will be delivered to the ROC, Mumbai, Maharashtra situated at 100, Everest, Marine Drive, Mumbai- 400002, Maharashtra

## LISTING

Application have been made to SME Platform of BSE Limited for obtaining permission for listing of the Equity Shares being offered and sold in the issue on its SME Platform of BSE Limited after the allotment in the Issue. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform of BSE Limited is not granted by BSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of the Prospectus. The allotment letters shall be issued or application money shall be refunded / unblocked within such time prescribed by SEBI or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of fifteen per cent per annum for the delayed period as prescribed under Companies Act, 2013, the SEBI (ICDR) Regulations and other applicable law.

Our Company 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 6 Working Days of the Issue Closing Date.

The Company has obtained approval from BSE vide letter dated September 03, 2021 to use the name of BSE in this Offer document for listing of equity shares on SME Platform of BSE Limited.

## IMPERSONATION

Attention of the Applicants is specifically drawn to the provisions of Section 38(1) of the Companies Act, 2013 which is reproduced below:

*Any person who-*

- *Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- *Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- *Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable to action under Section 447 of the Companies, Act 2013.*

## CONSENTS

Consents in writing of (a) Our Directors, Promoters, Company Secretary & Compliance Officer, Chief Financial Officer, Peer Review Auditor and Statutory Auditor, Key Managerial Personnel, Banker(s) to the Company; (b) Lead Manager, Underwriters, Market Maker, Registrar to the Issue, Public Issue Banker and Legal Advisor to the Issue to act in their respective capacities shall be obtained as required as required under Section 26 and Section 32 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the ROC. Our Statutory Auditor holding Peer Reviewed Certificate has given their written consent to the inclusion of their report in the form and context in which it appears in this Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Prospectus for filing with the ROC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, 2018, M/s. Gupta Agarwal & Associates, Peer Review Auditor and Statutory Auditors of the Company have agreed to provide their written consent to the inclusion of their respective reports on “**Statement of Possible Tax Benefits**” relating to the possible tax benefits and restated financial statements as included in the Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of the Prospectus.



## EXPERT TO THE ISSUE

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

- Report of the Statement of Possible of Tax Benefits.
- Report of the Auditor on the Restated Standalone Financial Statements for the financial year ended on March 31, 2021, March 31, 2020 and March 31, 2019 of our Company.

## EXPENSES TO THE ISSUE

The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. For details of total expenses of the Issue, refer to chapter “*Objects of the Issue*” beginning on page 66 of this Prospectus.

## DETAILS OF FEES PAYABLE

### Fees Payable to the Lead Manager

The total fees payable to the Lead Manager will be as per the Mandate Letter issued by our Company to the Lead Manager, the copy of which is available for inspection at our Registered Office.

### Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue will be as per the Agreement signed by our Company and the Registrar to the Issue dated August 25, 2021 and addendum to Registrar Agreement dated September 06, 2021 a copy of which is available for inspection at our Registered Office. The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, and stamp duty and communication expenses. Adequate funds will be provided by the Company to the Registrar to the Issue to enable them to send refund orders or allotment advice by registered post / speed post / under certificate of posting.

### Fees Payable to Others

The total fees payable to the Legal Advisor, Auditor and Advertiser, etc. will be as per the terms of their respective engagement letters if any.

## UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

The underwriting commission and the selling commission for the Issue are as set out in the Underwriting Agreement amongst the Company and Underwriters. The underwriting commission shall be paid as set out in the Underwriting Agreement based on the Issue price and the amount underwritten in the manner mentioned in accordance with Section 40 of the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rule, 2013

## PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE THE INCORPORATION

We have not made any previous rights and / or public issues since incorporation and are an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, 2018 and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations, 2018.

## PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH

Except as stated in the chapter titled “*Capital Structure*” beginning on page 52 of this Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

## 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 since our inception.

## **PARTICULARS IN REGARD TO OUR COMPANY AND OTHER LISTED COMPANIES UNDER THE SAME MANAGEMENT WITHIN THE MEANING OF SECTION 370(1B) OF THE COMPANIES ACT, 1956 / SECTION 186 OF THE COMPANIES ACT, 2013 WHICH MADE ANY CAPITAL ISSUE DURING THE LAST THREE YEARS.**

None of the equity shares of Companies under same management are listed on any recognized stock exchange. None of the above companies have raised any capital during the past 3 years.

## **PROMISE VERSUS PERFORMANCE FOR OUR COMPANY**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, 2018, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations, 2018. Therefore, data regarding promise versus performance is not applicable to us.

## **OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY**

As on the date of this Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

## **STOCK MARKET DATA FOR OUR EQUITY SHARES**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, 2018, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations, 2018. 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 applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants.

## **DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY**

Our Company has appointed Bigshare Services Private Limited as the Registrar to the Issue to handle the investor grievances in co-ordination with the Compliance Officer of the Company. All grievances relating to the present Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

The Registrar to the Issue will handle investor’s grievances pertaining to the Issue. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be co-ordinating with the Registrar to the Issue in attending to the grievances to the investor.

All grievances relating to the ASBA process may be addressed to the SCSBs, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Issue or the SCSBs for the redressal of routine investor grievances will be seven business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

We have constituted the Stakeholders Relationship Committee of the Board *vide* resolution passed at the Board Meeting held on August 20, 2021. For further details, please refer to the chapter titled “**Our Management**” beginning on page 127 of this Prospectus.

Our Company has appointed Mr. Parag Sudhir Jagdale as Company Secretary and Compliance Officer and he may be contacted at the following address:

Mr. Parag Sudhir Jagdale

**Markolines Traffic Controls Limited**

Company Secretary & Compliance Officer,

502, A Wing, Shree Nand Dham, Sector 11, CBD Belapur, Navi Mumbai 400614, Maharashtra, India

Tel: +91 22 6266 1111

E-mail: [company.secretary@markolines.com](mailto:company.secretary@markolines.com)

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

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.

## **CAPITALISATION OF RESERVES OR PROFITS**

Save and except as stated in the chapter titled “*Capital Structure*” beginning on page 52 of this Prospectus, our Company has not capitalized its reserves or profits during the last five years.

## **REVALUATION OF ASSETS**

Our Company has not revalued its assets since incorporation.

## **TAX IMPLICATIONS**

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the section titled “*Statement of Possible Tax Benefits*” beginning on page 75 of this Prospectus.

## **PURCHASE OF PROPERTY**

Other than as disclosed in this Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Prospectus.

Except as stated elsewhere in this Prospectus, our Company has not purchased any property in which the Promoters and / or Directors have any direct or indirect interest in any payment made there under.

## **SERVICING BEHAVIOR**

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

## **PAYMENT OR BENEFIT TO OFFICERS OF OUR COMPANY**

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation. Except as disclosed under sections titled “*Our Management*” and “*Related Party Transactions*” beginning on pages 127 and 156 respectively of this Prospectus none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

## **SECTION XI: ISSUE RELATED INFORMATION**

### **TERMS OF THE ISSUE**

*The Equity Shares being Issued are subject to the provisions of the Companies Act, SCRA, SCRR, ICDR Regulations, Listing Regulations, our MoA and AoA, the terms of this Draft Prospectus, the Prospectus, the abridged Prospectus, Application Form, CAN, the Revision Form, Allotment Advices, and other terms and conditions as may be incorporated in the documents/ certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, 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 GoI, the Stock Exchanges, the RoC, the RBI and/ or other authorities, as in force on the date of the Issue and to the extent applicable.*

*Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment. 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 authorized to collect the application forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.*

#### **Authority for the Present Issue**

This Issue has been authorized by a resolution of our Board passed at their meeting held on March 20, 2021 subject to the approval of shareholders through a special resolution to be passed pursuant to Section 62 (1) (c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62 (1) (c) of the Companies Act, 2013 passed at the EGM of our Company held on April 19, 2021.

#### **Ranking of Equity Shares**

The Equity Shares being issued shall be subject to the provisions of the Companies Act, and our MoA and AoA and shall rank pari-passu in all respects with the existing Equity Shares of our Company including rights in respect of dividends and other corporate benefits, if any, declared by us after the date of Allotment. The Allottees, upon Allotment of Equity Shares under this Issue, will be entitled to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to section titled, '**Main Provisions of Article of Association**', beginning on page 234 of this Prospectus.

#### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, 1956 and Companies Act, 2013, Article of Association, the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 any other rules, regulations or guidelines as may be issued by Government of India in connection there to and as per the recommendation by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividend, in cash as per the provisions of the Companies Act and our Articles of Association. For further details in relation to dividends, please refer to sections titled, '**Dividend Policy**' and '**Main Provisions of Article of Association**', beginning on page 157 and 234 respectively, of this Prospectus.

#### **Face Value and Issue Price**

The face value of the share of our Company is ₹10.00 per equity share and the issue price is ₹ 78.00 per Equity Share (including premium of ₹ 68.00 per share). The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the Section titled, '**Basis for Issue Price**', beginning on page 73 of this Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

#### **Compliance with ICDR Regulations**

Our Company shall comply with all requirements of the ICDR Regulations, as amended time to time.

## Compliance with Disclosure and Accounting Norms

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 AoA, the Equity Shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive annual reports and notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act, 2013;
- Right to receive Issue for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- Right of free transferability of the Equity Shares, subject to applicable laws, 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 previous Companies Act, 1956 and Companies Act, 2013, as may be applicable, terms of the Listing Regulations and the MoA and AoA of our Company.

For further details on the main provision of our Company's AoA dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and/ or consolidation/ splitting, etc., please refer to Section titled, '*Main Provisions of the Articles of Association*', beginning on page 234 of this Prospectus.

## Minimum Application Value, Market Lot and Trading Lot

In terms of Section 29 of the Companies Act, 2013, the Equity Shares shall be Allotted only in dematerialised form. As per the existing ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form for all Applicants. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated December 28, 2020 between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated December 16, 2020 between CDSL, our Company and Registrar to the Issue.

The trading of the Equity Shares will happen in the minimum contract size of 1,600 Equity Shares and the same may be modified by the SME Platform of BSE Limited from time to time by giving prior notice to investors at large.

Allocation and Allotment of Equity Shares through this Prospectus will be done in multiples of 1,600 Equity Shares subject to a minimum Allotment of 1,600 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

In accordance with the Regulation 268 of 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 shall be unblocked within 4 Working Days of closure of Issue.

## Joint Holders

Where 2(two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

### Nomination Facility to Investor

In accordance with Section 72 of the Companies Act, 2013, the First/ Sole Applicant, along with other joint Applicant, may nominate any one person in whom, in the event of the death of Sole Applicant or in case of joint Applicant, death of all the Applicants, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013, any Person who becomes a nominee by virtue of this section shall upon the production of such evidence as may be required by the Board of Directors, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board of Directors 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 90 days, the Board of Directors 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 form, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the applicant would prevail. If the Applicants require changing the nomination, they are requested to inform their respective Depository Participant.

### Issue Program

<b>Issue Opens on</b>	Wednesday, September 15, 2021
<b>Issue Closes on</b>	Monday, September 20, 2021
<b>Finalization of Basis of Allotment with the Designated Stock Exchange</b>	Thursday, September 23, 2021
<b>Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account</b>	On or Before Monday, September 27, 2021
<b>Credit of Equity Shares to Demat accounts of Allottees</b>	On or Before Monday, September 27, 2021
<b>Commencement of trading of the Equity Shares on the Stock Exchange</b>	On or Before Tuesday, September 28, 2021

The above timetable is indicative and does not constitute any obligation on our Company or the Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the 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 Application Forms and any revisions to the same will be accepted only between 10:00 a.m. to 5:00 p.m. (IST) during the Issue Period (except for the Issue Closing Date). On the Issue Closing Date, the Application Forms will be accepted only between 10:00 a.m. to 3:00 p.m. (IST) for retail and non-retail Applicants. The time for applying for Retail Individual Investors on Issue Closing Date maybe extended in consultation with the Lead Manager, Registrar and Share Transfer Agent and SME platform of BSE Limited taking into account the total number of Applications received up to the closure of timings.

Due to the limitation of time available for uploading the Application Forms on the Issue Closing Date, Applicants are advised to submit their applications 1 day prior to the Issue Closing Date and, in any case, not later than 3:00 p.m. (IST) on the Issue Closing Date. Any time mentioned in this Prospectus is IST. Applicants are cautioned that, in the event a large number of Application Forms are received on the Issue Closing Date, as is typically experienced in public issue, some Application Forms may not get uploaded due to the lack of sufficient time. Such Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday



to Friday (excluding any public holidays). Neither our Company nor the Lead Manager is liable for any failure in uploading the Application Forms due to faults in any software/ hardware system or otherwise.

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

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

### **Minimum Subscription**

In accordance with Regulation 260(1) of ICDR Regulations, this Issue is 100% underwritten, so this Issue is not restricted to any minimum subscription level.

As per section 39 of the new Companies Act, 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 Prospectus, the Application Amount has to be returned within such period as may be prescribed.

If our Company does not receive the subscription of 100% of the Issue through this Offer document including devolvement of Underwriters, our Company shall forthwith unblock the entire subscription amount received. If there is a delay beyond 8 days after our Company becomes liable to pay the amount, our Company shall pay interest prescribed under section 73 of the Companies Act, 2013 and applicable law.

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.

### **Arrangements for Disposal of Odd Lots**

The trading of the Equity Shares will happen in the minimum contract size of 1,600 Equity Shares in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, in terms of Regulation 261 (5) of the ICDR Regulations, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME platform of BSE.

### **Application by Eligible NRIs, FPIs/ FIIs Registered with SEBI, VCFs Registered with SEBI and Eligible QFIs**

It is to be understood that there is no reservation for Eligible NRIs or FPIs/ FIIs registered with SEBI or VCFs or Eligible QFIs. Such Eligible NRIs, Eligible QFIs, FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of allocation.

NRIs, FPIs/ FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public issue without the prior approval of the RBI, so long as the price of the Equity Shares to be issued is not less than the price at which the Equity Shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (“FDI”) Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/ RBI.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/ or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/ RBI while granting such approvals.

### **As per the Extant Policy of the Government of India, OCBs cannot Participate in this Issue.**

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 03, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for Equity Share allocation.

### **Restrictions on Transfer and Transmission of Shares or Debentures and on their Consolidation or Splitting**

Except for lock-in of the pre-issue Equity Shares and Promoter minimum contribution in the Issue as detailed in the Section titled, '*Capital Structure*', beginning on page 52 of this Prospectus, and except as provided in the AoA of our Company, there are no restrictions on transfer and transmission and on their consolidation/ splitting of Equity Shares. For further details, please refer to the Section titled, '*Main Provisions of the Articles of Association*', beginning on page 234 of this Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the Applicants of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

### **Allotment of Equity Shares in Dematerialized Form**

In accordance with the 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.

### **Migration to Main Board**

BSE Circular dated March 10, 2014, our Company will have to be mandatorily listed and traded on the SME Platform of BSE Limited for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board of the BSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI (ICDR) Regulations, 2018.

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of BSE from the SME Platform of BSE Limited on a later date subject to the following:

- If the Paid-up Capital of the Company is likely to increase above Rs.25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the Company has obtained in-principal approval from the main board), we shall have to apply to BSE for listing our shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.
- If the Paid-up Capital of the Company is more than Rs.10 crores but below Rs. 25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

### **Market Making**

The Equity Shares offered through this Issue are proposed to be listed on the SME Platform of BSE Limited, wherein the Market Maker to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME platform of BSE for a minimum period of 3 years from the date of listing on the SME Platform of BSE Limited. For further details of the agreement entered into between our Company, the Lead Manager and the Market Maker please refer to Section

titled, '**General Information - Details of the Market Making Arrangements for this Issue**', beginning on page 44 of this Prospectus.

### **New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company through this 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 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, registration requirements of the U.S. Securities Act and applicable U.S. state Securities laws. Accordingly, the Equity Shares are only being Issued or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions 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.

### ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(2) of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, our Company's post issue face value capital is more than ten crore rupees but does not exceed twenty - five crore rupees. Our Company shall issue equity shares to the public and propose to list the same on the SME platform of BSE Limited. For further details regarding the salient features and terms of such this issue, please refer to chapter titled "**Terms of the Issue**" and "**Issue Procedure**" beginning on page nos. 207 and 216 respectively of this Prospectus.

The present issue of 51,28,000 Equity Shares of face value of ₹10.00 each fully paid for cash at price of ₹ 78.00 per Equity Share (including a premium of ₹ 68.00 per Equity Share) aggregating to ₹ 3,999.84 Lakh. The issue comprises a reservation of 2,57,600 Equity Shares of face value of ₹10.00 each fully paid for cash at price of ₹ 78.00 each aggregating to ₹ 200.93 Lakh for subscription by the designated Market Maker (Market Maker Reservation Portion) and Net issue to Public of 48,70,400 Equity Shares of face value of ₹10.00 each fully paid for cash at price of ₹ 78.00 per share aggregating to ₹ 3,798.91 Lakh (the Net issue). The issue and the Net issue will constitute 26.84% and 25.49% respectively of the post issue paid up equity share capital of the company.

Particulars of the issue	Net Issue to Public*	Market Maker Reservation Portion
<b>Number of Equity Shares</b>	48,70,400 Equity Shares	2,57,600 Equity Shares
<b>Percentage of Issue Size available for allocation</b>	94.98% of the issue Size 25.49% of the Post Issue Paid up Capital	5.02% of the issue Size 1.35% of the Post issue Paid up Capital
<b>Basis of Allotment/ Allocation if respective category is oversubscribed</b>	Proportionate subject to minimum allotment of 1,600 Equity Shares and further allotment in multiples of 1,600 Equity Shares each.  For further details please refer to " <b>Basis of Allotment</b> " under chapter titled " <b>Issue Procedure</b> " beginning on page no. 216 of this Prospectus	Firm Allotment
<b>Minimum Application Size</b>	<b><u>For Other than Retail Individual Investors:</u></b> Such number of Equity Shares in multiples of 1,600 Equity Shares such that the Application Value exceeds ₹2.00 Lakh.  <b><u>For Retail Individuals Investors:</u></b> 1,600 Equity Shares at an issue price of ₹ 78.00 per equity share.	2,57,600 Equity Shares of Face Value ₹10.00
<b>Maximum Application Size</b>	<b><u>For Other than Retail Individual Investors:</u></b> The maximum application size is the Net issue to public subject to limits the investor has to adhere under the relevant laws and regulations applicable.  <b><u>For Retail Individuals Investors:</u></b> 1,600 Equity Shares at an issue price of ₹ 78.00 per equity share. Such that the applicant value does not exceeds ₹2.00 Lakh.	2,57,600 Equity Shares of Face Value ₹10.00
<b>Trading Lot</b>	1,600 Equity Shares	2,57,600 Equity Shares. However, the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
<b>Mode of Application</b>	<b><u>For Other than Retail Individual Investors:</u></b> All the applicants shall make the application (Online or Physical) through ASBA process  <b><u>For Retail Individuals Investors:</u></b> Through the ASBA Process or by using UPI ID for payment	Through ASBA Process Only

Particulars of the issue	Net Issue to Public*	Market Maker Reservation Portion
<b>Mode of Allotment</b>	Compulsorily in dematerialized form.	
<b>Terms of Payment</b>	<ul style="list-style-type: none"> <li>The Applicant shall have sufficient balance in the ASBA account at the time of submitting application and the amount will be blocked anytime within two day of the closure of the issue.</li> <li>In case of UPI as an alternate mechanism, Application amount shall be blocked at the time of confirmation of mandate collection request by applicant.</li> </ul>	

*\*Since present issue is a fixed price issue, the allocation in the net issue to the public category in terms of Regulation 253 of the SEBI (ICDR) Regulations, 2018 shall be made as follows:*

- (a) *Minimum fifty per cent to retail individual investors; and*
- (b) *Remaining to:*
- individual applicants other than retail individual investors; and*
  - other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;*

*Provided that the unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.*

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

For further information on the Allocation of Net issue to Public, please refer to chapter titled “**The Issue**” beginning on page 40 of this Prospectus.

## **WITHDRAWAL OF THE ISSUE**

In accordance with the SEBI ICDR Regulations, our Company, in consultation with Lead Manager, reserves the right not to proceed with this issue at any time after the Issue Opening Date, but before our Board meeting for Allotment without assigning reasons thereof. If our Company Withdraws the Issue after the Issue Closing Date, we will give reason thereof within two days by way of a public notice which shall be published in the same newspapers where the pre- issue advertisements were published.

Further, the Stock Exchanges shall be informed promptly in this regard and the Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the ASBA Applicants within one Working Day from the date of receipt of such notification. In case our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh issue document with the Stock Exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the issue is also subject to obtaining the final Listing and Trading Approvals of the Stock Exchange, which the Company shall apply for after Allotment. In terms of the SEBI Regulations, Non- Retail Applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

## **JURISDICTION**

Exclusive jurisdiction for the purpose of this issue is with the competent courts/authorities at Mumbai.

## **ISSUE PROGRAMME**

<b>ISSUE OPENING DATE</b>	<b>WEDNESDAY, SEPTEMBER 15, 2021</b>
<b>ISSUE CLOSING DATE</b>	<b>MONDAY, SEPTEMBER 20, 2021</b>

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form.

Standardization of cut-off time for uploading of applications on the Issue Closing Date:

- a. A standard cut-off time of 3.00 p.m. for acceptance of applications.
- b. A standard cut-off time of 4.00 p.m. for uploading of applications received from other than retail individual applicants.
- c. A standard cut-off time of 5.00 p.m. for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by BSE after taking into account the total number of applications received up to the closure of timings and reported by LM to BSE within half an hour of such closure.

It is clarified that Applications not uploaded would be rejected. In case of discrepancy in the data entered in the electronic form vis-à-vis the data contained in the Physical Application Form, for a particular applicant, the details as per physical application form of that Applicant may be taken as the final data for the purpose of allotment.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).



## ISSUE PROCEDURE

All Applicants should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular SEBI/HO/CFD/DIL2/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the “General Information Document”), which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the Securities contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchange and the LM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue, especially in relation to the process for Applications by Retail Individual Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the Issue; (ii) maximum and minimum Issue size; (iii) price discovery and allocation; (iv) Payment Instructions for ASBA Applicants; (v) Issuance of CAN and Allotment in the Issue; (vi) General instructions (limited to instructions for completing the Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint applications in cases of individual, multiple applications and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Applications by RIIs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Applications with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”), Further pursuant to SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. The final reduced timeline of T+3 days be made effective using the UPI Mechanism for applications by RIIs (“UPI Phase III”), as may be prescribed by SEBI. The Issue will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on/on or after May1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of this circular, are deemed to form part of this Prospectus

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, has reduced the timelines for refund of Application money to four days

Our Company and Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and is not liable for any amendment, modification or change in the applicable law, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that their application are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus and the Prospectus.

*This section applies to all the Applicants, please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form. Further, the Company and the LM are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Issue.*

### **Phased implementation of Unified Payments Interface**

SEBI has issued circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 and circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 (collectively the “UPI Circulars”) in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIBs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six working days to up to three working days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circular proposes to introduce and implement the UPI payment mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a Retail Individual had the option to submit the Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six working days.

**Phase II:** This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. Subsequently, it was decided to extend the timeline for implementation of Phase II until March 31, 2020. Further still, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount is continued till further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues to be six working days during this phase.

**Phase III:** The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing is proposed to be reduced to three working days.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI payment mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchange and the Lead Manager.

### **FIXED PRICE ISSUE PROCEDURE**

The Issue is being made in compliance with the provisions of Reg. 229(2) of Chapter IX of the SEBI (ICDR) Regulations, 2018 and through the Fixed Price Process wherein 50% of the Net Issue to Public is being offered to the Retail Individual Applicants and the balance shall be offered to Non-Retail Category i.e., QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject compliance with Regulation 253(2) of the SEBI ICDR Regulations and subject to valid Applications being received from them at or above the Issue Price.

Subject to the valid Applications being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.

**Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialised form. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN and Beneficiary Account Number / UPI ID (for RII Applicants using the UPI Mechanism), shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchanges, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchanges.**

## **APPLICATION FORM**

Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and the Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the BSE (www.bseindia.com), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.

All Applicants shall mandatorily participate in the Issue only through the ASBA process. ASBA Applicants (other than Applicants using the UPI mechanism) must provide either (i) the bank account details and authorisation to block funds their respective ASBA Form, or (ii) the UPI ID (in case of RIIs), as applicable, in the relevant space provided in the Application Form and the Application Forms that do not contain such details will be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID are liable for rejected.

Retail Individual Investors submitting their application form to any Designated Intermediaries (other than SCSBs) shall be required to apply using the UPI Mechanism and must provide the UPI ID in the relevant space provided in the Application Form. Retail Individual Investors submitting their application form to any Designated Intermediaries (other than SCSBs) failed to mention UPI ID are liable to be rejected. Retail Individual Investors may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of the SEBI.

ASBA Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of Electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Application Form for various categories is as follows:

<b>Category</b>	<b>Colour <sup>(1)</sup></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

<sup>(1)</sup> *Excluding electronic Application Form*

Designated Intermediaries (other than SCSBs) shall submit / deliver the Application Form (except the Application Form from a RII bidding using the UPI Mechanism) to the respective SCSB, where the Applicant has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank. Further, SCSBs shall upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchange. Stock Exchange shall validate the electronic bids with the records of the CDP for DP ID / Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchange. Stock Exchange shall allow modification of either DP ID / Client ID or PAN ID, bank code and location code in the Application details already uploaded

For RIIs using UPI Mechanism, the Stock Exchange shall share the Application details (including UPI ID) with Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIIs for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIIs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchange applying platform, and the liability to compensate RIIs (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the Bankers to the Issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions / investor complaints to the Sponsor Banks and the Bankers to the Issue. The LM shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Issue for analysing the same and fixing liability.

### **Electronic registration of Applications**

The Designated Intermediary may register the Applications using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Applications, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Issue on a regular basis before the closure of the Issue.

On the Issue Closing Date, the Designated Intermediaries may upload the Applications till such time as may be permitted by the Stock Exchanges and as disclosed in the Prospectus.

Only Applications that are uploaded on the Stock Exchanges Platform are considered for allocation / Allotment. The Designated Intermediaries are given till 1:00 pm on the next working day following the Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing

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

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

Who Can Apply?

In addition to the category of Applicants set forth in the General Information Document, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines:

- Scientific and / or industrial research organizations in India, which are authorised to invest in equity shares; and
- Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

### **PARTICIPATION BY ASSOCIATES / AFFILIATES OF LEAD MANAGER, PROMOTERS, PROMOTER GROUP AND PERSONS RELATED TO PROMOTERS / PROMOTER GROUP**

The LM shall not be allowed to purchase Equity Shares in this Issue in any manner, except towards fulfilling their underwriting obligations. However, associates and affiliates of the LM may subscribe to or purchase Equity Shares in the Issue, either in the QIB Portion or in Non-Institutional Portion as may be applicable to such Applicants. Such Applying and subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of LM, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither (i) the LM or any associates of the LM, except Mutual Funds sponsored by entities which are associates of the LM or insurance companies promoted by entities which are associate of LM or AIFs sponsored by the entities which are associate of the LM or FPIs (other than individuals, corporate bodies and family offices), sponsored by the entities which are associates of the LM nor; (ii) any “person related to the Promoters and members of the Promoter Group” shall apply in the Issue under the Anchor Investor Portion.

For the purposes of this section, a QIB who has any of the following rights shall be deemed to be a “person related to the Promoters and members of the Promoter Group”: (a) rights under a shareholders’ agreement or voting agreement entered into with the Promoters and members of the Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

### **APPLICATION BY MUTUAL FUNDS**

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company in consultation with Lead Manager, reserves the right to accept or



reject any Application in whole or in part, in either case, without assigning any reason thereof. The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with the SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that such Applications clearly indicate the scheme concerned for which the Application is submitted.

No Mutual Fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any Company's paid-up share capital carrying voting rights.

#### **APPLICATION by HUFs**

Applications by HUFs Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Applications by HUFs may be considered at par with Applications from individuals.

#### **APPLICATION BY ELIGIBLE NRIs**

Eligible NRIs may obtain copies of Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Applicant applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB or should confirm / accept the UPI Mandate Request (in case of RIIs using the UPI Mechanism) to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Applicant applying on a non-repatriation basis by using Resident Forms should authorize their SCSB or should confirm / accept the UPI Mandate Request (in case of RIIs applying using the UPI Mechanism) to block their Non-Resident Ordinary ("NRO") accounts for the full Application Amount, at the time of the submission of the Application Form. Participation of Eligible NRIs in the Issue shall be subject to the FEMA regulations. NRIs applying in the Issue through the UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such Application.

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents (blue in colour).

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in colour).

For details of investment by NRIs, see "*Restrictions in Foreign Ownership of Indian Securities*" on page 233 of this Prospectus. Participation of eligible NRIs shall be subject to NDI Rules

#### **APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRIs APPLYING ON NON-REPATRIATION**

Application must be made only in the names of individuals, limited companies or statutory corporations / institutions and not in the names of minors (other than minor having valid depository accounts as per demographic details provided by the depository), foreign nationals, non-residents (except for those applying on non-repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu Undivided Families (HUF), partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF.

Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE / FCNR accounts as well as NRO accounts.

An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public.

#### **APPLICATION BY FPI**

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our total paid-up Equity Share capital on a fully diluted basis. Further, in terms of the FEMA Rules, the total holding by each FPI shall be less than

10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs could be up to 100%, being the sectoral cap, of the paid-up Equity Share capital of our Company on a fully diluted basis.

In case of Applications made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Application Form, failing which our Company reserves the right to reject any Application without assigning any reason. FPIs who wish to participate in the Issue are advised to use the Application Form for Non-Residents (blue in colour).

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

As specified in 4.1.4.2 (b)(i) and 4.1.4.2 (c)(iv) of the General Information Document, it is hereby clarified that bids received from FPIs bearing the same PAN shall be treated as multiple Bids and are liable to be rejected, except for Applications from FPIs that utilize the multiple investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations (“MIM Structure”), provided such Applications have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Applications received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Applications, FPIs making multiple Applications using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Application Forms that the relevant FPIs making multiple Applications utilize the MIM Structure and indicate the name of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Applications are liable to be rejected. Further, in the following cases, the Applications by FPIs will not be considered as multiple Applications: involving (i) the MIM Structure and indicating the name of their respective investment managers in such confirmation; (ii) offshore derivative instruments (“ODI”) which have obtained separate FPI registration for ODI and proprietary derivative investments; (iii) sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration; (iv) FPI registrations granted at investment strategy level / sub fund level where a collective investment scheme or fund has multiple investment strategies / sub-funds with identifiable differences and managed by a single investment manager; (v) multiple branches in different jurisdictions of foreign bank registered as FPIs; (vi) Government and Government related investors registered as Category 1 FPIs; and (vii) Entities registered as Collective Investment Scheme having multiple share classes.

With effect from the April 1, 2020, the aggregate limit shall be the sectoral caps applicable to the Indian company as prescribed in the FEMA Rules with respect to its paid-up equity capital on a fully diluted basis. While the aggregate limit as provided above could have been decreased by the concerned Indian companies to a lower threshold limit of 24% or 49% or 74% as deemed fit, with the approval of its board of directors and its shareholders through a resolution and a special resolution, respectively before March 31, 2020, our Company has not decreased such limit and accordingly the applicable limit with respect to our Company is 100%.

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 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to 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 a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions:

- such offshore derivative instruments are transferred only to persons in accordance with Regulation 22(1) of the SEBI FPI Regulations; and
- prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.



Participation of FPIs in the Issue shall be subject to the FEMA Rules

#### **APPLICATION BY SEBI REGISTERED ALTERNATIVE INVESTMENT FUND (AIF), VENTURE CAPITAL FUNDS (VCF) AND FOREIGN VENTURE CAPITAL INVESTORS (FVCI)**

The SEBI VCF Regulations, 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 or FVCI registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF or FVCI. 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 their investible funds in one investee company. A category III AIF cannot invest more than 10% of their investible funds 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 their investible funds 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.

Participation of AIFs, VCFs and FVCIs was subject to the FEMA Rules

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.

**Our Company or the Lead Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.**

**There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.**

#### **APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS**

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing which, the Company in consultation with the LM, reserves the right to reject any application, without assigning any reason thereof.

#### **APPLICATIONS BY INSURANCE COMPANIES**

In case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company in consultation with the Lead Manager reserves the right to reject any Application without assigning any reason thereof.

The exposure norms for insurers prescribed in Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 ("IRDAI Investment Regulations") are set forth below:

- a. Equity shares of a company: the lower of 10% <sup>(1)</sup> of the investee company's outstanding equity shares (face value) or 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or a 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 a 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 operates: not more than 15% of the respective fund of a life insurer or a reinsurer or health insurer or general insurance or 15% of the investment assets, 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 points (i), (ii) or (iii) above, as the case may be.

*\* The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 500,000 million or more but less than ₹ 2,500,000 million.*

Insurer companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by the IRDA from time to time including the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 (“**IRDA Investment Regulations**”).

#### **APPLICATION BY PROVIDENT FUNDS / PENSION FUNDS**

In case of applications made by provident funds / pension funds, subject to applicable laws, with minimum corpus of ₹ 25 Crores, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund / pension fund must be attached to the Application Form. Failing this, the Company reserves the right to reject any application, without assigning any reason thereof.

#### **APPLICATIONS BY BANKING COMPANIES**

In case of Applications made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company’s investment committee are required to be attached to the Application Form, failing which our Company in consultation with the LM, reserve the right to reject any Application 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, as amended 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 excess of 30% of the paid-up share capital of the investee company, (ii) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (iii) investment in a non-financial 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, as amended. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the investee company’s paid-up share capital and reserves.

#### **APPLICATION BY SYSTEMICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES**

In case of Applications made by systemically important non-banking financial companies registered with RBI, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), and such other approval as may be required by the Systemically Important NBFCs must be attached to the Application Form. Failing this, our Company in consultation with the LM, reserves the right to reject any Application, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

#### **APPLICATIONS BY SCSBS**

SCSBS participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013 issued by SEBI. Such SCSBS are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBS. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

#### **APPLICATION UNDER POWER OF ATTORNEY**

In case of Applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the Union

of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250 million (subject to applicable laws) and pension funds with a minimum corpus of ₹ 250 million (subject to applicable laws), 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, as applicable, must be lodged along with the Application Form. Failing this, our Company in consultation with the LM, reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof. Our Company in consultation with the LM, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that our Company in consultation with the LM, may deem fit.

***The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure any single Application from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft Prospectus or the Prospectus***

**In accordance with RBI regulations, OCBs cannot participate in the Issue.**

### **Information for the Applicants**

In addition to the instructions provided to the Applicants in the *General Information Document for Investing in Public Issues*, Applicants are requested to note the following additional information in relation to the Issue.

1. The Issue Period shall be for a minimum of three Working Days and shall not exceed ten working days. The Issue Period may be extended, if required, by an additional three working days, subject to the total Issue Period not exceeding ten working days
2. The relevant Designated Intermediary will enter each Application into the electronic bidding system as a separate Application and generate an acknowledgement slip (“**Acknowledgement Slip**”), for each price and demand option and give the same to the Applicant. Therefore, an Applicant can receive up to three Acknowledgement Slips for each Application Form. It is the Applicant’s responsibility to obtain the TRS from the relevant Designated Intermediary. The registration of the Application by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated / allotted. Such Acknowledgement will be non-negotiable and by itself will not create any obligation of any kind. When an Applicant revises his or her Application (in case of revision in the Price), he / she shall surrender the earlier Acknowledgement Slip and may request for a revised TRS from the relevant Designated Intermediary as proof of his or her having revised the previous Application.
3. In relation to electronic registration of Applications, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, and / or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Prospectus or the Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
4. In the event of an upward revision in the Price, Retail Individual Applicants could either (i) revise their Application or (ii) shall make additional payment based on the revised Price (such that the total amount i.e., original Application Amount plus additional payment does not exceed ₹ 2 Lakh. The revised Applications must be submitted to the same Designated Intermediary to whom the original Application was submitted. If the total amount (i.e., the original Application Amount plus additional payment) exceeds ₹ 2 Lakh, the Applicant will be considered for allocation under the Non-Institutional Portion. If, however, the Retail Individual Applicant does not either revise the Application or make additional payment the number of Equity Shares applied for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the Retail Individual Applicant and the Retail Individual Applicant is deemed to have approved such revised Application.
5. In the event of a downward revision in the Price, Retail Individual Applicant may revise their application; otherwise, the excess amount paid at the time of Application would be unblocked after Allotment is finalised.
6. Any revision of the Application shall be accompanied by instructions to block the incremental amount, if any, to be paid on account of the upward revision of the Application.

**The Applicants should note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic system of the Stock Exchanges does not match with the PAN, DP ID and Client ID available in the database of Depositories, the Application Form is liable to be rejected.**

### **Pre- Issue Advertisement**

Subject to Section 30 of the Companies Act, our Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one English language national daily newspaper, one Hindi language national daily newspaper and one regional language daily newspaper, each with wide circulation. In the pre- Issue advertisement, we shall state the Issue Opening Date and the Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.

### **Signing of the Underwriting Agreement and the RoC Filing**

- a) Our Company, the Lead Manager and the Market Maker have entered into an Underwriting Agreement on August 25, 2021 and Addendum to the Underwriting Agreement dated September 06, 2021
- b) For terms of the Underwriting Agreement please see chapter titled “**General Information**” beginning on page 44 of this Prospectus.
- c) We will file a copy of the Prospectus with the RoC in terms of Section 26, Section 32 and all other provision applicable as per Companies Act.

### **FILING OF THE PROSPECTUS WITH THE ROC**

The Company will file a copy of the Prospectus with the RoC in terms of Section 26 and 32 of Companies Act, 2013.

- a) **Designated Date and Allotment of Equity Shares Designated Date:** On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.
- b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the designated stock exchange, the Registrar shall upload on its website. On the basis of approved basis of allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Issue.
- c) Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been allotted Equity Shares in the Issue. The dispatch of allotment advice shall be deemed a valid, binding and irrevocable contract.
- d) Issuer will make the allotment of the equity shares and initiate corporate action for credit of shares to the successful applicants Depository Account within the time prescribed under applicable law. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

### **Designated Date:**

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment / or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 6 working days of the Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under Section 56 of the Companies Act, 2013 or other applicable provisions, if any.

### **Availability of the Prospectus and the Application Forms:**

Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and Registered Office of our Company. An electronic copy of the Application Form will also

be available for download on the websites of the BSE ([www.bseindia.com](http://www.bseindia.com)), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.

### General Instructions

Please note that QIBs and Non-Institutional Investors are not permitted to withdraw their application(s) or lower the size of their application(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Applicants can revise their application(s) during the Issue Period and withdraw their application(s) until Issue Closing Date

### Do's:

- 1) Check if you are eligible to apply as per the terms of this Prospectus and under applicable law, rules, regulations, guidelines and approvals; All Applicants should submit their bids through the ASBA process only;
- 2) Ensure that you have apply within the Issue Price
- 3) Read all the instructions carefully and complete the Application Form in the prescribed form;
- 4) Ensure that you have mentioned the correct ASBA Account number if you are not an RII bidding using the UPI Mechanism in the Application Form and if you are an RII using the UPI Mechanism ensure that you have mentioned the correct UPI ID in the Application Form;
- 5) Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except in case of electronic Bids) within the prescribed time. Retail Individual Applicants using UPI Mechanism, may submit their ASBA Forms with Syndicate Members, Registered Brokers, RTA or Depository Participants;
- 6) RIIs Applying in the Issue shall ensure that they use only their own ASBA Account or only their own bank account linked UPI ID (only for RIIs using the UPI Mechanism) to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party;
- 7) Ensure that you have funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries.
- 8) In case of joint Applications, ensure that first applicant is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the first Bidder is included in the Application Form;
- 9) Ensure that the signature of the First Applicant in case of joint Applications, is included in the Application Forms;
- 10) Ensure that you request for and receive a stamped acknowledgement of the Application Form;
- 11) Ensure that the name(s) given in the Application Form is / are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Applications, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Applicant is included in the Application Forms. PAN of the First Applicant is required to be specified in case of joint Applications;
- 12) Ensure that you submit the revised Applications to the same Designated Intermediary, through whom the original Application was placed and obtain a revised acknowledgment;
- 13) Retail Individual Investors not using the UPI Mechanism, should submit their Application Form directly with SCSBs and not with any other Designated Intermediary;
- 14) Except for Applications (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining / specifying their PAN for transacting in the securities market including without limitation, multilateral / bilateral institutions, and (iii) Applications by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Applicants should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and



the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

- 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 correct investor category and the investor status is indicated in the Application Form;
- 17) Ensure that in case of Applications under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
- 18) Ensure that Applications submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
- 19) Application by Eligible NRIs for an Amount of less than ₹ 2 Lakh would be considered under the Retail Category for the purposes of allocation and Applications for an Amount exceeding ₹ 2 Lakh would be considered under the Non-Institutional Category for allocation in the Issue
- 20) Since the allotment will be in dematerialised form only, ensure that the Applicant’s depository account is active, the correct DP ID, Client ID , PAN and UPI ID, if applicable, are mentioned in their Application Form and that the name of the Applicant, the DP ID, Client ID , PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;
- 21) In case of ASBA Applicants (other than Retail Individual Applicants using UPI Mechanism), ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Applying Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in>);
- 22) Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Issue Closing Date;
- 23) Once the Sponsor Bank issues the UPI Mandate Request, the Retail Individual Bidders would be required to proceed to authorise the blocking of funds by confirming or accepting the UPI Mandate Request;
- 24) Ensure that you have correctly signed the authorisation / undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB or the Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form at the time of submission of the Application. Bid In case of RIIs submitting their applications and participating in the Issue through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Issue Amount and subsequent debit of funds in case of Allotment;
- 25) Ensure that you have correctly signed the authorization / undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB or the Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form at the time of submission of the Application;
- 26) Retail Individual Applicants using the UPI Mechanism shall ensure that details of the Application are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his / her UPI PIN. Upon the authorization of the mandate using his / her UPI PIN, a Retail Individual Applicant shall be deemed to have verified the attachment containing the application details of the Retail Individual Applicant in the UPI Mandate Request and have agreed to block the entire Application Amount and authorized the Sponsor Bank to block the Application Amount specified in the Application Form;
- 27) However, Applications received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs;
- 28) FPIs making MIM Applications using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Applications are under the MIM structure and indicate the name



of their investment managers in such confirmation which shall be submitted along with each of their Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Applications shall be rejected;

- 29) Retail Individual Applicants using the UPI Mechanism who have revised their applications subsequent to making the initial Application should also approve the revised UPI Mandate Request generated by the Sponsor Bank to authorize blocking of funds equivalent to the revised Application Amount and subsequent debit of funds in case of Allotment in a timely manner and
- 30) Ensure that the Demographic Details are updated, true and correct in all respects

The Application Form were liable to be rejected if the above instructions, as applicable, were not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 were liable to be rejected.

**Don'ts:**

- 1) Do not apply for lower than the minimum Application size;
- 2) Do not submit an application using UPI ID, if you are not a RII;
- 3) Do not Apply for an Amount exceeding ₹ 2 Lakh (for Applications by Retail Individual Applicants).
- 4) Do not pay the Application Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest or any mode other than blocked amounts in the bank account maintained with SCSB;
- 5) Do not send Application Forms by post; instead submit the same to the Designated Intermediary only;
- 6) Do not Apply at Cut-off Price (for Applications by QIBs and Non-Institutional Applicants);
- 7) Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
- 8) Do not submit the Applications for an amount more than funds available in your ASBA account.
- 9) Do not submit Applications on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicant;
- 10) In case of ASBA Applicants, do not submit more than one ASBA Forms per ASBA Account;
- 11) If you are a Retail Individual Applicant and are using UPI Mechanism, do not submit more than one Application Form for each UPI ID;
- 12) If you are a Retail Individual Applicant and are using UPI Mechanism, do not make the ASBA application using third party bank account or using third party linked bank account UPI ID;
- 13) Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
- 14) Do not Apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- 15) Do not submit the General Index Register (GIR) number instead of the PAN;
- 16) Do not submit incorrect details of the DP ID, Client ID PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
- 17) Do not submit an application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
- 18) Do not Apply if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
- 19) Do not submit an application / revise an Issue Amount, with a price less than the Issue Price;

- 20) Do not submit your Apply after 3.00 pm on the Issue Closing Date;
- 21) If you are a QIB, do not submit your application after 3:00 pm on the QIB Issue Closing Date;
- 22) Do not fill up the Application Form such that the Equity Shares Application 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 this Prospectus;
- 23) Do not Apply for shares more than specified by respective Stock Exchanges for each category;
- 24) Do not Apply, if you are an OCB;
- 25) Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Applications submitted by RIIs using the UPI Mechanism;
- 26) Do not Apply on another Application Form after you have submitted an application to any of the Designated Intermediaries; and
- 27) Do not submit Applications to a Designated Intermediary at a location other than Specified Locations. If you are a Retail Individual Applicant and are using UPI Mechanism, do not submit the ASBA Form directly with SCSBs.;

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-Issue or post Issue related issues regarding share certificates / demat credit / refund orders / unblocking etc., investors can reach out to our Company Secretary and Compliance Officer. For details of our Company Secretary and Compliance Officer, see “**General Information**” on page 44 on this Draft Prospectus

For helpline details of the LM pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see “**General Information - Lead Manager**” on page 44 on this Draft Prospectus

## **GROUND FOR REJECTIONS**

In addition to the grounds for rejection of Application on technical grounds as provided in the “*General Information Document for Investing in Public Issue*” Applicants are requested to note that Applications may be rejected on the following additional technical grounds.

1. Applications submitted without instruction to the SCSBs to block the entire Application Amount;
2. Applications submitted by Applicants which do not contain details of the Application Amount and the bank account details / UPI ID in the Application Form;
3. Applications submitted on a plain paper;
4. Applications submitted by Retail Individual Applicants using the UPI Mechanism through an SCSBs and / or using a mobile application or UPI handle, not listed on the website of SEBI;
5. Applications under the UPI linked Mechanism submitted by Retail Individual Applicants using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);
6. Application Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
7. Application submitted without the signature of the First Applicant or sole Applicants;
8. The ASBA Form not being signed by the account holders, if the account holder is different from the Applicant;
9. ASBA Form by the RIIs by using third party bank accounts or using third party linked bank account UPI IDs;
10. Applications by person for whom PAN details have not been verified and whose beneficiary accounts are ‘suspended for credit’ in terms of SEBI circular (reference number: CIR/MRD/DP/ 22 /2010) dated July 29, 2010;

11. GIR number furnished instead of PAN;
12. Application by Retail Individual Applicants with Application Amount for a value of more than ₹ 2,00,000/-
13. Applications by person who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
14. Applications by Applicants accompanied by cheques, demand drafts, stock invest, money order, postal order or cash;
15. Applications uploaded by QIBs after 4.00 p.m. on the QIB Issue Closing Date and by Non-Institutional Applicants uploaded after 4.00 p.m. on the Issue Closing Date, and Applications by Retail Individual Applicants uploaded after 5.00 p.m. on the Issue Closing Date, unless extended by the Stock Exchanges; and
16. Application by OCB.

#### **Issuance of a Confirmation of Allocation Note (“CAN”) and Allotment in the Issue**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the Lead Manager or Registrar to the Issue shall send to the SCSBs a list of their Applicants who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Applicant.

#### **INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM**

In addition to the instructions for completing the Application Form provided in the sub-section “*General Information Document for Investing in Public Issue – Applying in the Issue – Instructions for filing the Application Form / Application Form*” Applicants are requested to note the additional instructions provided below.

1. Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal. Applications must be in single name or in joint names (not more than three, and in the same order as their Depository Participant details).
2. Applications must be made in a single name or in joint names (not more than three, and in the same order as their details appear with the Depository Participant), and completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained in the Prospectus and in the Application Form.
3. Applications on a repatriation basis shall be in the names of FIIs or FPIs but not in the names of minors, OCBs, firms or partnerships and foreign nationals.

#### **DESIGNATED DATE AND ALLOTMENT**

- (a) Our Company will ensure that the Allotment and credit to the successful Applicants’ depository account will be completed within six Working Days, or such period as may be prescribed by SEBI, of the Issue Closing Date or such other period as may be prescribed.
- (b) Equity Shares will be issued and Allotment shall be made only in the dematerialised form to the Allottees.
- (c) Allottees will have the option to re-materialise the Equity Shares so allotted as per the provisions of the Companies Act, 2013 and the Depositories Act.

#### **Names of entities responsible for finalising the basis of allotment in a fair and proper manner**

The authorised employees of the Designated Stock Exchange, along with the LM and the Registrar to the Issue, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations

#### **Method of allotment as may be prescribed by SEBI from time to time**

Our Company will not make any Allotment in excess of the Equity Shares through the Offer Document except in case of over-subscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange.

Further, upon over-subscription, an allotment of not more than one per cent of the Issue may be made for the purpose of making Allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the Retail Individual Applicants shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum Allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Applicants shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Applicants portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis.

### **Impersonation**

**Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:**

**“Any person who:**

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447”*

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

### **Undertaking by our Company**

Our Company undertakes the following:

- 1) If our Company does not proceed with the Issue after the Issue Closing Date but before allotment, then the reason thereof shall be given as a public notice within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre- Issue advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 2) That the complaints received in respect of the Issue shall be attended to by the Company expeditiously and satisfactorily;
- 3) That all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within six Working Days of the Issue Closing Date or such other period as may be prescribed;
- 4) If Allotment is not made, application monies will be refunded / unblocked in the ASBA Accounts within the time prescribed under applicable law or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Applicants at the rate of 15.00% per annum for the delayed period;
- 5) That where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with the amount and expected date of electronic credit for the refund;
- 6) That the Promoters' contribution in full, if applicable, shall be brought in advance before the Issue opens for subscription
- 7) That funds required for making refunds to unsuccessful applicants as per mode(s) disclosed shall be made available to the Registrar to the Issue by the Company;

- 8) No further Issue of Equity Shares shall be made until the Equity Shares offered through the Prospectus are listed or until the Application monies are unblocked in the ASBA Accounts on account of non-listing, under-subscription etc.;
- 9) That if our Company withdraw the Issue after the Issue Closing Date, our Company shall be required to file a fresh Issue document with the SEBI, in the event our Company subsequently decides to proceed with the Issue;
- 10) That our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time;
- 11) That the allotment of securities / refund confirmation to Eligible NRIs shall be dispatched within specified time;
- 12) That adequate arrangements shall be made to collect all Application Forms from Applicants; and
- 13) That our Company shall not have recourse to the Issue Proceeds until the final approval for listing and trading of the Equity Shares from all the Stock Exchanges.

#### **Utilization of Net Proceeds**

Our Company specifically confirms and declares that:

- 1) All monies received out of the Issue of specified securities to public shall be credited / transferred to 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 to in sub-item (i) shall be disclosed and continue to be disclosed till the time any part of the Fresh Issue proceeds remains un-utilised under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised and;
- 3) Details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under the appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. The responsibility of granting approval for foreign investment under the Consolidated FDI Policy and FEMA has been entrusted to the concerned ministries / departments

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (formerly Department of Industrial Policy and Promotion), Government of India (“DPIIT”) issued the Consolidated FDI Policy, which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. Up to 100% foreign investment under the automatic route is currently permitted in the sector of “Manufacturing”, which includes manufacture of cement and concrete products.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that: (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI Takeover Regulations, (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI policy, and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI / RBI

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country (“Restricted Investors”), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future FDI in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction / purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Each Applicant should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Applicant shall intimate our Company and the Registrar to the Issue in writing about such approval along with a copy thereof within the Issue Period.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

**The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur; and (ii) to “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act), pursuant to the private placement exemption set out in Section 4(a) of the U.S. Securities Act.**

**The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.**



**SECTION XII: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION**

**THE COMPANIES ACT 2013**

**COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**OF**

**\*MARKOLINES TRAFFIC CONTROLS LIMITED**

**I. PRELIMINARY**

1. # The Regulations contained in Table “F” in the Schedule I to the Companies Act, 2013, shall apply to the Company except in as far as otherwise expressly incorporated hereinafter.

**II. INTERPRETATION**

(1) IN THESE REGULATIONS:

- a) The “Act” means Companies Act 2013.
- b) “The seal” means the common seal of the Company  
“The Company” means \*Markolines Traffic Controls Limited”

(2) Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning in the Act or any statutory modification thereof in force at the date at which these regulation become binding on the Company.

**III. PUBLIC COMPANY**

- 1. The Company is a Public Company within the meaning of Section 2(71) of the Companies Act, 2013 and accordingly:-
  - (a) which is not a private company and;
  - (b) has a minimum paid up share capital, as may prescribed.

Provided that a company which is a subsidiary of a company, not being a private company, shall be deemed to a public company for the purpose of this act where such subsidiary company continuous to be a private company in its articles;

**IV. SHARE CAPITAL AND VARIATION OF RIGHTS**

- 1. Subject to the provisions of the Act and these Articles, the shares in the capital of the company 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 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.
- 2. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within 2 months after the incorporation, in case of the subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such period as the conditions of the issue shall be provided-
  - (a) one certificate for all his shares without the payment of any charges; or
  - (b) several certificates, each for one or more of his shares, upon the payment of twenty rupees for each of the certificates after the first
- (ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon

- (iii) In respect of 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 share to one of the several joint shareholders shall be sufficient delivery to all such holders.
3. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.
- (ii) The provisions of Article (2) and (3) shall mutatis mutandis apply to debentures of the company.
4. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
5. (i) the company may exercise the powers of commission conferred by sub-section (6) of section 40, provided that the rate per cent. Or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that sections and rules made thereunder.
- (ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in the rules made under sub-section (6) of section 40.
- (iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way or partly in the other.
6. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
- (ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding one-third of the shares of the class in question.
7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.
8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine

## LIEN

9. (i) The company shall have a first and paramount lien-
- (a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
- (b) on all shares (not being fully paid share), standing registered in the name of a single person, for all monies presently payable by him or his estate to the company.
- Provided that the Board of Directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.
- (ii) The company's lien, if any, on a share shall extend to all dividends payable and the bonuses declared from time to time in respect of such shares.

10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made-

- (a) Unless such sum in respect of which the lien exists is presently payable; or
- (b) Until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of death or insolvency.

11. (i) To give effect to any such sale, the Board may authorize some person to transfer these shares sold to the purchaser thereof.

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

12. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(ii) The residue, if any, shall be subject to a like lien for sums not presently payable as existed upon any shares before the sale, be paid to the person entitled to the shares at the date of sale.

#### **CALLS ON SHARES**

13. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board.

14. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid in installments.

15. The joint holders of the shares shall be liable jointly and severally liable to pay calls in respect thereof.

16. (i) If sum called in respect of a share is not paid before or on the date appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten percent per annum or at such lower rate, if any, as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

17. (i) Any sum which by the terms of issue of share become payable on allotment or at any fixed date, whether on account of the nominal value of shares or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of call duly made and notified.

18. The Board-

(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the member paying the sum in advance.

## TRANSFER OF SHARES

19. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

(ii) The transferor shall be deemed to remain a holder of the share until the name of transferee is entered in the register of members in respect thereof.

20. The Board may, subject to the right of appeal conferred by section 58 decline to register-

- a) the transfer of a share, not being fully paid share, to a person of whom they do not approve; or
- b) any transfer of shares on which the company has a lien.

21. The Board may decline any instrument to transfer unless-

- a) the instrument of transfer is in such form as prescribed in rules made under sub-section (1) of section 56.
- b) the instrument of transfer is accompanied by the certificate of shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
- c) the instrument of transfer is in respect of only one class of shares

22. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

## TRANSMISSION OF SHARES

23. (i) On the death of any member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or his legal representatives where he was a sole holder, shall be the only person recognised by the company as having any title to his interest in the shares.

(ii) Nothing in clause (i) 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 person.

24. (i) Any person becoming entitled to a share in consequence of death, insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject hereinafter provided, elect, either-

- (a) to be registered himself as holder of the share; or
- (b) to make such transfer of the share as the deceased or insolvent member could have made.

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the shares before death or his insolvency.

25. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer as signed by that member.

26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may at any time, give notice requiring any such person either to be registered himself or to transfer, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or monies payable in respect of the share, until the requirements of the notice have been complied with.

27. In case of a One Person Company-

- (i) on the death of the sole member, the person nominated by such member shall be the person recognized by the company as having title to all the shares of the member;
- (ii) the nominee on becoming entitled to such shares in case of members' death shall be informed of such event by the Board of the company
- (iii) such nominee shall be entitled to the same dividends and other rights and liabilities to which the sole member of the company was entitled or liable;
- (iv) on becoming member, such nominee shall nominate such other person with the prior consent of such member who, shall in the event of the event of the member, become the member of the company.

#### FORFEITURE OF SHARES

28. If a member fails to pay any call, or installment of a call, on the date appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

29. The notice aforesaid shall-

- (a) name a further day (not being earlier than expiry of fourteen days from the date of service of notice) on or before such payment required by the notice is to be made; and
- (b) state that, in the event of non-payment on or before the day named, the shares in respect of which call is made shall be liable to be forfeited.

30. If the requirements of any notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

31. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

32. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all the monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

- (ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

- 33.(i) A duly verified declaration in writing that declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all person claiming to be entitled to the share;

(ii) The company may receive consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposal of;

(iii) The transferee shall thereupon be registered as the holder of the share; and

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share

34. The provisions of these regulations as to forfeiture shall apply in case of non-payment of any sum which, by the terms of issue of share, become payable at fixed time, whether on account of nominal value of share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

#### **ALTERATION OF CAPITAL**

35. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

36. Subject to the provision of section 61, the company may, by ordinary resolution-

- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
- (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum
- (d) cancel any share which, at the date of passing of the resolution, have not been taken or agreed to be taken by any person

37. Where shares are converted into stock-

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulation under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of shares from which the stock arose

(b) the holders of stock shall, according to the amount of stock held by them, have rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privileges or advantages (except in the participation of dividends and profits of the company and in the assets of the winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

38. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorized and consent required by law-

- (a) its share capital;
- (b) any capital redemption reserve account
- (c) any share premium account

#### **CAPITALISATION OF PROFITS**

39. (i) The company in a general meeting may, upon the recommendations of the Board, resolve-

- (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the company's reserves accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
- (b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have entitled thereto, if distributed by way of dividend and in same proportions.



(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause

(iii), either in or towards-

- (A) Paying up any amounts for the time being unpaid on any shares held by such shares respectively;
- (B) Paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
- (C) Partly in the way specified under clause (A) and partly in that specified in clause (B)
- (D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares.
- (E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

40. (i) Whenever such resolution as aforesaid shall have been passed, the Board shall-

(a) make all the appropriations and applications of the unpaid profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any; and

(b) generally do all acts and things required to give effect thereto

(ii) The Board shall have power-

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions;

(b) to authorize any person to enter, on behalf of all members entitled thereto, into an agreement with the company providing for 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 proportion of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares:

(iii) Any agreement made under such authority shall be effective and binding on such members

### **BUY-BACK OF SHARES**

41. Notwithstanding anything contained in these articles but subject to the provisions of section 68 to 70 and other applicable provisions of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

### **GENERAL MEETINGS OF THE BOARD**

42. All general meetings other than the annual general meeting shall be called extra-ordinary general meeting.

43. (i) The Board may, whenever it thinks fit, call an extra ordinary general meeting.

(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or two members of the company may call an extra ordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

### **PROCEEDINGS AT GENERAL MEETINGS**

44. (i) No business shall be transacted at any general meetings unless a quorum of members is present at the time when meeting proceeds to business.

(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103

45. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

46. If there is no Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as a chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

47. If at any meeting no director is willing to act as a Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

48. In case of One Person Company-

- i) the resolution required to be passed at the general meetings of the company shall be deemed to have been passed if the resolution is agreed upon by the sole member and communicated to the company and entered in the minutes book maintained under section 118
- ii) such minutes book shall be signed and dated by the member;
- iii) the resolution shall become effective from the date of signing such minutes by the sole member.

#### **ADJOURNMENT OF MEETING**

49. (i) The Chairperson may, with the consent of any meeting at which quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

#### **VOTING RIGHTS**

50. Subject to any rights or restrictions for the time being attached to any class or class of shares-

(a) on show of hands, every member present in person shall have one vote; and

(b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

51. Any member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

52. (i) In case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

53. Any member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

54. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

55. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

56. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

## PROXY

57. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power of attorney, 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 case of a poll, not less than 24 hours before the time appointed for taking of the poll; and in default the instrument of proxy shall not be treated as valid.
58. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
59. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company as its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

## Board of Directors

60. The names of the first directors are as follows:-

1. Mr. Vishwanath Ramchandra Dange
2. Mr. Sunil Shankarrao Powar
3. Mr. Niyaz Shariffuddin Momin
4. Mr. Sanjay Bhanudas Patil
5. Mr. Avinash Bhanudas Patil
6. Mrs. Kirtinanadini Sanjay Patil
7. Mr. Vijay Ratanchand Oswal

61. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day

(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them.

(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

(b) in connection with the business of the company.

62. The Board may pay all the expenses incurred in getting up and registering the company.

63. The company may exercise the powers conferred on it by section 88 with regard to the keeping of foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any register)

64. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

65. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

66. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

- (ii) Such person shall hold office only up to the date of the next annual general meeting of the company shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.
- 67. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
  - (ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
- 68. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by majority of votes.
  - (ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote
- 69. 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.
- 70. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
  - (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors may choose one of their member to be Chairperson of the meeting.
- 71. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
  - (ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
- 72. (i) A committee may elect a Chairperson of its meetings.
  - (ii) If no such Chairperson is elected, or if a 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.
- 73. (i) A committee may meet and adjourn as it thinks fit.
  - (ii) Questions arising at any meeting of a committee shall be determined by a majority of votes by the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
- 74. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there were some defect in the appointment of any or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
- 75. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if had been passed at a meeting of the Board or committee, duly convened and held.
- 76. In case of One Person Company-
  - (i) where the company is having only one director, all the businesses to be transacted at the meeting of the Board shall be entered into minutes book maintained under section 118;
  - (ii) such minutes book shall be signed and dated by the director;
  - (iii) the resolution shall become effective from the date of signing such minutes by the director.

## **CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER**

77. Subject to the provisions of the Act-

- (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board.
- (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

78. A provision of the Act of these regulations requiring or authorizing a thing to be done 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.

## **THE SEAL**

79. (i) The Board shall provide for the safe custody of the seal.

- (ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or such other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

## **DIVIDENDS AND RESERVES**

80. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

81. 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.

82. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.

- (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as reserve.

83. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any shares in the company, dividends may be declared and paid according to the amounts of shares.

- (ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

- (iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

84. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

85. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through 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 first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

86. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share,

87. 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.

88. No dividend shall bear interest against the company.

### **ACCOUNTS**

89.(i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

(ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

### **WINDING UP**

90. Subject to the provisions of Chapter XX of the Act and rules made thereunder-

(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any of the assets of the company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

### **INDEMNITY**

91. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.



### **SECTION XIII: OTHER INFORMATION**

#### **MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of the Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Prospectus will be delivered to the ROC for filing and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at 502, A Wing, Shree Nand Dham Sector 11, CBD Belapur, Navi Mumbai- 400614, Maharashtra, India, from date of filing the Prospectus with ROC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

##### **A. Material Contracts**

1. Memorandum of Understanding dated August 25, 2021 between our Company and the Lead Manager and addendum to Memorandum of Understanding dated September 06, 2021
2. Registrar Agreement dated August 25, 2021 between our Company and the Registrar to the Issue and addendum to Registrar Agreement dated September 06, 2021.
3. Underwriting Agreement dated August 25, 2021 between our Company, the Lead Manager and Underwriters and addendum to Underwriting Agreement dated September 06, 2021.
4. Market Making Agreement dated August 25, 2021 between our Company, Lead Manager and Market Maker and addendum to Market Making Agreement dated September 06, 2021.
5. Bankers to the Issue Agreement dated September 01, 2021 between our Company, the Lead Manager, Banker to the Issue / Sponsor Bank and Registrar to the Issue and addendum to Banker to the Issue Agreement dated September 06, 2021
6. Tripartite agreement among the NSDL, our Company and the Registrar dated December 28, 2020.
7. Tripartite agreement among the CDSL, our Company and the Registrar dated December 16, 2020.

##### **B. Material Documents**

1. Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
2. Certificate of incorporation dated November 08, 2002 issued by RoC. Fresh certificate of incorporation dated March 12, 2018 issued by the RoC pursuant to change in name of our Company. Fresh certificate of incorporation dated August 10, 2021 issued by the RoC pursuant to conversion into a public limited company.
3. Resolution of the Board of Directors dated March 20, 2021 in relation to the Issue.
4. Resolution of the Shareholders of our Company, passed at the Extra Ordinary General Meeting held with a shorter notice on April 19, 2021 in relation to the Issue.
5. The Statement of Possible Tax Benefits dated August 27, 2021 issued by the Statutory Auditor.
6. Statutory Auditor's report for Restated Financials dated August 27, 2021 included in this Prospectus.
7. Consents of the Directors, Promoters, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, Lender, Lead Manager to the Issue, Legal Advisor to the Issue, Banker to our Company Banker to the Issue, Registrar to the Issue, Underwriters and Market Maker to include their names in the Prospectus to act in their respective capacities.
8. Due Diligence Certificate dated August 28, 2021 on Draft Prospectus submitted to BSE Limited from Lead Manager.
9. Due Diligence Certificate dated September 07, 2021 addressed to SEBI from Lead Manager.

10. Approval from BSE Limited vide letter dated September 03, 2021 to use the name of BSE in this Offer Document for listing of Equity Shares on SME Platform of BSE Limited.

Any of the contracts or documents mentioned in the Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, with the consent of shareholders subject to compliance of the provisions contained in the Companies Act and other relevant provisions.

**DECLARATION**

We, the undersigned, hereby certify and declare that all the relevant provisions of the Companies Act, 1956 / Companies Act, 2013 and the rule, guidelines or regulations issued by the Government of India or the guidelines or regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Draft Prospectus / Prospectus is contrary to the provisions of the Companies Act, 1956 / Companies Act, 2013, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992 or rules framed or guidelines or regulations issued, as the case may be. We further certify that all statements in this Draft Prospectus / Prospectus are true and correct.

**SIGNED BY ALL THE DIRECTORS OF OUR COMPANY**

NAME AND DESIGNATION	SIGNATURE
<b>MR. SANJAY PATIL BHANUDAS</b> <i>Chairman and Managing Director</i> DIN: 00229052	
<b>MR. KARAN ATUL BORA</b> <i>Executive Director</i> DIN: 08244316	
<b>MS. KIRTINANDINI SANJAY PATIL</b> <i>Non-Executive Director</i> DIN: 09288282	
<b>MR. AKASH MANOHAR PHATAK</b> <i>Independent Director</i> DIN: 09288697	
<b>MS. ANJALI SHIVAJI PATIL</b> <i>Independent Director</i> DIN: 02136528	

**SIGNED BY THE CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY & COMPLIANCE OFFICER OF OUR COMPANY**

**MR. VIJAY OSWAL RATANCHAND**  
*Chief Financial Officer*  
 PAN: AABPO0881G

**MR. PARAG SUDHIR JAGDALE**  
*Company Secretary & Compliance Officer*  
 PAN: AJXPJ8742N

**Place: Navi Mumbai**  
**Date: September 08, 2021**

**ANNEXURE – A**

**DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY GRETEX CORPORATE  
SERVICES LIMITED**

Sr. No.	Issuer Name	Issue Size (Cr)	Issue Price (In Rs.)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in Closing benchmark] 30th calendar days from listing	+/- % change in closing price, [+/- % change in Closing benchmark] 90th calendar days from listing	+/- % change in closing price, [+/- % change in Closing benchmark] 180th calendar days from listing
1	Deep Polymers Limited	15.24	40.00	August 23, 2018	41.90	-2.20, [-5.30]	9.66, [-8.18]	17.11, [-7.78]
2	Aaron Industries Limited	4.78	38.00	September 03, 2018	38.50	-1.92, [-6.25]	4.32, [-6.03]	-1.56, [-5.14]
3	Mac Hotels Limited	1.94	24.00	October 04, 2018	24.60	118.99, [-0.62]	194.57, [2.05]	256.59, [-66.69]
4	B & B Triplewall Containers Limited	19.99	36.00	October 15, 2018	38.75	42.66, [0.61]	34.43, [2.14]	26.20, [11.20]
5	BCPL Railway Infrastructure Limited	17.01	35.00	October 29, 2018	36.00	-1.52, [4.84]	-12.95, [4.67]	-0.83, [14.57]
6	Misquita Engineering Limited	1.93	27.00	October 04, 2019	27.85	33.56, [6.98]	102.05, [10.49]	122.60, [-24.97]
7	Anuroop Packaging Limited	2.64	13.00	November 21, 2019	13.25	-8.91, [2.73]	-17.97, [1.84]	-20.92, [-25.58]
8	Billwin Industries Limited	2.46	37.00	June 30, 2020	36.90	11.86, [8.08]	1.08, [8.78]	9.16, [35.62]
9	G M Polyplast Limited	8.09	159.00	October 14, 2020	160.00	4.48, [6.28]	0.90, [21.38]	0.30, [17.38]
10	Niks Technology Limited	2.01	201.00	March 31, 2021	217.00	-1.38, [-1.47]	-, [6.16]	-

Sources: All share price data is from [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).

**Note:**

- The BSE SENSEX and CNX NIFTY are considered as the Benchmark Index.
- Price on BSE/NSE are considered for all the above calculations.
- In case 30<sup>th</sup>, 90<sup>th</sup> and 180<sup>th</sup> day is not a trading day, closing price of BSE/NSE of the next trading day have been considered.
- In case 30<sup>th</sup>, 90<sup>th</sup> and 180<sup>th</sup> day, scripts are not traded then last trading price has been considered.

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the Lead Manager. Hence, disclosure pertaining to recent 10 issues handled by the lead manager are provided.

**SUMMARY STATEMENT OF DISCLOSURE**

Financial Year	Total no. of IPOs	Total Funds Raised ('in Cr.)	No. of IPOs trading at Discount-30 <sup>th</sup> calendar day from listing day			No. of IPOs trading at Premium-30 <sup>th</sup> calendar day from listing day			No. of IPOs trading at Discount-180 <sup>th</sup> calendar day from listing day			No. of IPOs trading at Premium-180 <sup>th</sup> calendar day from listing day		
			Over 50 %	Between 25-50 %	Less than 25 %	Over 50 %	Between 25-50 %	Less than 25 %	Over 50 %	Between 25-50 %	Less than 25 %	Over 50 %	Between 25-50 %	Less than 25 %
2018-19	*7#	77.24	--	--	3	1	1	1	--	--	3	1	2	1
2019-20	**2	4.57	--	--	1	--	1	--	--	--	1	1	--	--
2020-21	***3 \$	12.56	--	--	--	--	--	3	--	--	--	--	--	2

*Upto September 08, 2021*

*\*The scripts with Listing date - Suumaya Lifestyle Limited (June 04, 2018), Debock Sales & Marketing Limited (June 05, 2018), Deep Polymers Limited (August 23, 2018), Aaron Industries Limited (September 03, 2018), MAC Hotels Limited (October 04, 2018), B&B Triplewall Container Limited (October 15, 2018) and BCPL Railway Infrastructure Limited (October 29, 2018).*

*\*\*The scripts with Listing date - Misquita Engineering Limited (October 04, 2019) and Anuroop Packaging Limited (November 21, 2019).*

*\*\*\* The script with Listing date Billwin Industries Limited (June 30, 2020), G M Polyplast Limited (October 14, 2020) and Niks Technology Limited (March 31, 2021).*

*\$ The script of Niks Technology Limited have not completed 180 Days from the date of listing.*

*# As on 30th trading day the closing price of the script Deep Polymers Limited was at par with the issue price. Hence it is not considered for counting the numbers of IPOs trading at discount and premium*